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FURTHER DELUGE OF FOREIGN GOODS SEEMS IMMINENT

Falling Prices and Big Production in United States Sharpen Competition

EUROPE CUTS PRICES

And Lowers Taxes in Desperate Effort to Reclaim World Markets for Manufactured Goods

Declining commodity prices and indications of slackening business in the United States threaten to bring Canadian products into still keener competition with United States goods both here and abroad. Already there is evidence that United States distributors have commenced a more intensive marketing campaign as indications of saturation appear at home. This is only a phase of the larger problem facing Canadian business—rapidly increasing imports of manufactured goods.

In the popular haste to applaud the growth of exports, this expansion in our purchases from abroad is usually overlooked. While the population of Canada has remained virtually static, imports have increased from $650,864,554 for the ten months ending January, 1925, to $755,560,000 for the same period this year. This increase of more than 16 per cent. does not include the huge volume of goods which is being smuggled into Canada every day and brought into competition with our own products.

Nor is this total entirely from European countries where the labor standard is lower. In the period referred to, imports from the United States rose from $415,124,820 to $493,771,548, or nearly 20 per cent. It is expected that this will be intensified by the fact that slackening demand seems imminent in the United States while production continues at very high levels in almost all lines. Unfilled tonnage of the United States Steel Corporation showed a reduction of 236,887 tons at the first of March, yet all production records for the steel industry, even during the war period, were broken last month. Motor car output has reached record high levels, and the same is true of many of the basic industries. This suggests that large quantities of United States goods will be thrown on this as well as the world markets in the near future.

Europe Cutting Prices

In the keenness of international competition, Europe has anticipated a price reduction in America by substantial cuts in many industrial lines. Many of the countries of Europe are making a keener bid than ever before for world trade. On the first of this month a drastic cut was made in German industrial and general taxes. Interests rates have fallen, and the government is subsidizing industry on a large scale in many lines. At one of the recent industrial fairs held in Germany, prices were slashed from 30 to 40 per cent. over a wide range of lines, and buyers from America and Britain were among the active bidders.

As a result of all this, a further deluge of foreign goods is anticipated by Canadian producers, with a resulting further setback to Canadian industry. While our gross revenue from all industries increased by about $263,000,000 in 1925 over the previous year, according to The Financial Post Survey, 1926, gross revenue from all manufacturing industries actually declined by $83,000,000 owing very largely to the inflow of foreign goods. Manufacturing has not merely been marking time, but has been losing ground. That retail trade has been improving steadily throughout Canada there is no doubt, but this unfortunately, is tending to obscure the fact that as a manufacturing nation, Canada is falling behind—is neglecting an industry which, in the aggregate, involves an expenditure of more than $3,380,000,000. So long as this inflow of foreign goods, accelerated by local conditions in the countries concerned, is allowed to continue, it will be foolish to look for improved industrial conditions in Canada.

Further evidence of industrial inactivity is seen in the February statement of the chartered banks to the government. This shows a further recession from February, 1924, of more than $45,000,000 in current loans which dropped to $862,716,608, or $470,000,000 below savings deposits. The latter have increased by $16,000,000 over January, and by $72,000,000 over February of last year, indicating the serious lack of industrial demand for money.

Interests Negotiating to Develop Grand Falls

From Our Own Correspondent

MONTREAL.—Negotiations leading to the development of Grand Falls on the Saint John River are in their final stages at Fredericton, N. B. Representatives of the International Paper Company and the Fraser Companies and allied interests are negotiating with Premier Baxter, of the provincial government, and it is believed that a definite decision will be reached as to the various details of the development almost immediately.

May Decide if God or Man Responsible for Maritime Troubles

From Our Own Correspondent

SYDNEY.—There is general satisfaction throughout the Maritime provinces over the appointment of Sir Andrew Rae Duncan as chairman of the new Royal Commission on Maritime rights.

"Maritime Rights" has been used as a battle cry by both sides in several elections, until so many extravagant statements have been made from the stump that the man in the street has no idea whatever which Maritime disabilities are the act of God and which are attributable to the cussedness of man—in this instance alleged neglect of the Atlantic region by the central provinces.

Sir Andrew's handling of the Nova Scotia coal situation has inspired general confidence that he will set forth the true situation of the Maritimes, and define their legitimate grievances and rights as successfully as the atmosphere was clarified in the coal disputes. It is expected that as good results will follow for the Maritimes generally as followed his clean-up of the long standing coal field troubles.

Shawinigan Power Building Line to the Saguenay

From Our Own Correspondent

QUEBEC.—It is understood that the Shawinigan Water and Power Company has obtained the authorization necessary to construct a transmission line connecting the Duke-Price power development with the Shawinigan system at Quebec. Preliminary work in connection with the construction of the new line is under way and shortly the survey parties will be on the ground. It is understood that the line will run from the Saguenay to the city of Quebec.

The new line will carry the 100,000 h.p. which Shawinigan has purchased from Duke-Price. While articles have been published indicating that the Shawinigan Water and Power Company now has a 40 per cent. interest in the Duke-Price development, the opinion held here, by those with a close knowledge of the situation, is that while Shawinigan has undoubtedly become a part owner of the big power enterprise, yet its percentage of ownership is probably represented by a smaller figure.

The Shawinigan Water and Power Company has issued no official confirmation of this information—it is thought probable that the announcement will eventually be made by the Duke-Price interests.

Rowell Sought to Enter Cabinet as Postal Head

N. W. Rowell, as postmaster general is the possibility now suggested by Ottawa discussions. The former president of the privy council, who was a leading member of Canada's war time Union Government, is earnestly being sought to return to Federal politics, it is stated and an opening in the Dominion Cabinet is to be promised there in the form of the postmaster generalship now capably handled by Senator Charles Murphy.

Liberal leaders are anxious to strengthen their position in Ontario, where Premier W. L. M. King has not gained any more popularity than his chief opponent, Arthur Meighen, has gained in Quebec. Rowell, as former Liberal leader in the province, would be an acquisition of some political importance to the party, it is felt, and would also be an anchor to windward in time of stress, if Hon. Charles Dunning, "the next Liberal premier" fails to measure up to the high hopes held for him.

One difficulty in the way of the proposed switch of postmaster generals lies in the unwillingness of Senator Murphy, despite his seat in the Upper House, to give up his office. He has proven an exceptionally capable minister and has thoroughly reorganized the postal service to the distinct advantage of business and the country generally. He feels, it is said, that his work is not done and he would like to continue as minister for some time yet. From a political standpoint, however, Mr. Murphy's safe seat in the Senate debars him from the consideration that might otherwise be given to a man who is recognized as an asset to good government.

Bulk of Immigration Into U.S. is From Canada

From Our Own Correspondent.

WASHINGTON.—An analysis of immigration figures for the first seven months of the present quota year by the National Industrial Conference board has shown a net loss in common laborers of 8,797, compared with a net loss of 21,245 for the same period last year.

There was a net gain of farm laborers of 4,521, compared with 8,131 in the corresponding period last year.

The bulk of immigration is from Canada and Mexico, figures have revealed, with Great Britain, Ireland and the Scandinavian countries supplying less than their quota allowances. While 2,714 Italians, a great deal less than the quota allowed, entered during the seven-month period, 21,768 left America for Italy.

U.S. ACTS QUICKLY TO STOP IMPORTS OF OUR PRODUCTS

As Soon as Canadians Gain Foothold, Tariff is Raised

DRESSES KEPT OUT

How American System of Protection by Flexible Tariff Worked Out in Typical Case

How the United States government uses its flexible tariff to insure that no Canadian manufacturer shall get entry into that market with any goods that compete with American products is graphically illustrated by a recent incident affecting a large Canadian dress manufacturer.

The firm of Stapells-Fletcher, Toronto, worked up an important order with a Detroit store. The Detroit buyer was greatly taken with the Stapells-Fletcher line. There was a touch of something new about it and, knowing that he could sell it to Detroit women, he placed an order with the Canadian concern.

He had looked up the United States tariff and found that the duty on dresses was 35 per cent. on cotton dresses, 45 per cent. on silk dresses and 60 per cent. on woollen dresses, or an average of about 50 per cent. on the entire order that he placed. Yet he was prepared to pay the 50 per cent. duty, knowing he could sell the dresses at a profit.

Flexible Tariff Invoked

In due time, the order was completed and the dresses were shipped. Formalities in connection with clearing them through the customs at Detroit were gone through and the duty was paid and accepted by the local customs officers. But the goods were not delivered. Investigation by the Detroit buyer revealed the fact that they had been held up by the United States customs officials for a report from Washington. After some delay, the Detroit store got word that the Tariff Commission, appointed by the president to investigate the entry of goods that might compete with the work of American laboring men, had an agent on his way to Detroit to examine the shipment. Finally, the investigator came and made a report to Washington. Immediately the duty on dresses was raised to 90 per cent. under the provisions of the flexible tariff. The Detroit store was asked to pay an additional sum, equal to about 40 per cent. of the value of the dresses although their previous cheque had been accepted by the customs officers. The duty was prohibitive and the dresses were shipped back to the Toronto manufacturer. They arrived after about a month's delay and the manufacturer was up against the proposition of selling them again in Canada, a task made more difficult by reason of the constant style change that is a feature of the dress market.

Richard A. Stapells, head of the firm, speaking to The Financial Post, stated, "I do not object to the high United States tariff. But I think that Canada ought to learn a lesson from the American way of protecting their own markets. I would not want American markets if I could have a fair share of the Canadian market. But I can not get even that. Last year, there was $4,000,000 worth of women's and children's clothing imported from the United States, in direct competition with my own and other firms. If each of us could get only one-tenth of that market it would benefit every person in Canada. Our firm would make more profit and pay more income tax. We would employ more labor and thus distribute more wages. We could reduce the price of our goods and still further benefit the consumer. American

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One of Greatest Paper Centres Result of Prohibiting Export

AS THE result of developments now taking place for the increasing of the capacity of the paper manufacturing companies located near Port Arthur and Fort William, there will be created at the head of the lakes one of the greatest, if not the greatest, paper producing centres in the world. The plants being enlarged are those of the Fort William Paper Company, the Thunder Bay Pulp and Paper Company, the Nipigon Corporation and Provincial Paper Mills. The combined output of these mills is expected to reach a total of 1,500 tons or more daily. In addition there is the Great Lake Paper Company, also enlarging its capacity.

This great industrial development for Canada is made possible by the policy of the Ontario government in making contracts which permit of the exportation of finished paper only from wood taken from crown lands. Four of these companies have been granted restricted rights, covering extensive areas. The maintenance of the industry on the scale referred to is assured for forty years and can be made practically permanent if proper methods of rotation in cutting and reforestation are followed and effective steps taken to prevent serious fire losses.

This great development, which means many millions in national wealth for Canada—in money spent for construction and supplies, in wages to the workers and in the exportation of finished products—indicates in a practical way the benefits of the Canada-for-Canadians policy which has been consistently urged by The Financial Post in the development of the country's resources to the highest possible state of manufacture. The step taken by the Ferguson government in Ontario might well be made an example for the legislators of other provinces and for our law makers at Ottawa.

Offer Land on Hudson's Bay at Dollar an Acre to Cleveland Citizens

Exploration Syndicate "Sponsored by Canadian Government" Seeks Memberships on Promise of Land Grant From Dominion—Radio Base and Aeroplane Station

WILL RAISE NO U.S. FLAG ON DISCOVERIES

"An organization of red-blooded Americans, co-operating with the Imperial Canadian Government to encourage exploratory operations into Hudson's Bay and the Arctic Circle." This is the way "the Hudson's Bay Exploration Syndicate, Ltd." of Cleveland, O., describes itself.

The syndicate's literature indicates that it is soliciting memberships at $2 apiece, and every member is promised an acre of land in the islands or territories contiguous to Hudson's Bay, "when, as and if the intended land grants are made by the Canadian government to the syndicate."

The Hudson's Bay Exploratory Syndicate describes itself as an organization sponsored by the Canadian government and further sponsors for its operations, as listed, include organizations of much power and influence. They are:

"The Royal Geographic Society.

"The Ancient and Honorable Hudson's Bay Company.

"The Canadian Campfire Club of Cleveland.

"The Arctic Club of Cleveland.

"The MacMillan Polar Club.

"The National Geographic Society.

"The National Aeronautic Association.

"The Canadian-American Exploration Society, and many others."

Objects of the Syndicate

The objects of the syndicate are, by their literature, stated to be:

"To promote closer relations between two great Anglo-Saxon neighbors;

"To encourage the discovery of new territory in the Arctic Basin;

"To further co-operation between the United States and Canada in opening up to sportsmen the vast unexplored territory contiguous to Hudson's Bay;

"To establish headquarters on the Belcher Islands in Hudson's Bay for aerial operations into the unknown wilderness of the north;

"To secure accurate information relative to the Eskimos and Indian tribes;

"To found a permanent radio base in Hudson's Bay;

"To open a summer seaplane route from Cleveland direct to Hudson's Bay.

"To develop the spirit of exploration among its members and awaken a new interest in the possibilities of discovery and adventure throughout the largest remaining unexplored territory in the world, comprising upward of two million square miles."

"By special arrangement between the Canadian government and the Hudson's Bay Exploration Syndicate, Ltd., a completely equipped radio station will be established by the syndicate on one of the Belcher Islands in Hudson's Bay," it is stated. "Already plans are under way to acquire title to the largest fresh water lake, christen the same 'Lake Cleveland' and erect a radio station and sea plane base thereon. This lake is 64 miles long, from one to five miles in width and shaped like a hairpin. It is known to abound in fresh seal, fish, fowl and game of many kinds.

"Plans are now under way to secure for the syndicate valuable concessions in the Belcher Island group. It is a sportsman's paradise, comprising about five thousand square miles of wilderness almost wholly unexplored."

Further with regard to the airplane rate, the promise is made that "By the summer of 1927 the new seaplane route from Cleveland to Hudson's Bay will be open. Any member of the Hudson's Bay Exploration Syndicate, Ltd., can hop aboard at the Cleveland station in the morning, fly across Lake Erie, stop at North Bay on Lake Nipissing for luncheon and arrive at the Syndicate Camp on the Belcher Islands in Hudson's Bay in time for supper.

'The flying distance is a trifle over

(Continued on page 3)

Cement War Brings, With It Food for Investment Thought

Would Seem to be the Beginning of Long Drawn Out Struggle—May Lower "Cement's" Earnings—National Cement Has Recently Gained Strength on Directorate —The Position in Quebec Reviewed

From Our Own Correspondent.

MONTREAL.—Many investors in the shares of the Canada Cement Company — and of the newer and smaller National Cement Company—fear that the cut of 35 cents a barrel by the Canada Cement Company presages a long drawn out warfare, which may affect the market for the stock of Canada Cement. Indeed, some of the more pessimistic followers predict that it will be possible to purchase "Cement" stock as low as 90.

There seems little doubt that the recent cut was aimed at the new competition which Canada Cement is meeting, for the lowered prices affect only Eastern markets. That the Canada Cement Company can stand the reduction in prices over an indefinite period seems assured, for in the last ten years the company has written off its property account and increased its current assets and liabilities by nearly $16,000,000. This is but one indication of the conservative bookkeeping methods which have been employed.

Conservative Profit Account

Coupled with ploughing back its earnings, the company has always been more than conservative in making up its profit and loss accounts; therefore, the investor in "Cement" need not fear a loss of any equity behind his stock, but there is no doubt that this cut will be reflected in earnings and, therefore, should the war be long continued, it is quite reasonable to suppose that the stock market valuation of the common stock will decline.

Cement production in Canada during 1925 amounted to 8,116,597 barrels; of this, the figures show sales of 3,365,802 barrels in the province of Quebec. Imports of cement to Canada were so small as to be negligible, whilst the exports were roughly 1,000,000 barrels. No doubt, however, a considerable portion of the exports would have to be deduct-

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B.C. IN FAVOR OF MANUFACTURE HERE

Policy of the Government Outlined by the Minister of Lands

According to a statement wired to The Financial Post by T. D. Pattullo, Minister of Lands, British Columbia, the policy of that province is to see that the manufacture of timber, so far as possible, shall take place within the province. Mr. Pattullo's statement follows:

"The policy of the government with regard to timber operations is that the manufacture, as far as possible, shall take place within the province. On licensed timber, which constitutes the bulk of the timber in this province, export can only be made by permit from the lieut.-governor in council. A permit is only given where there is a surplus of a minor product from a legitimate major operation and each application is decided on its merits at the time of application, taking into consideration factors existing at that time. Operation to glut the market to force authority to export it is not tolerated and export is held down to a minimum. Export by permit last year was 2 per cent. of the total output.

Certain areas of crown land granted in early days have authority to export without permit from the lieut.-governor in council. There was exported last year from the crown granted areas 6 per cent. of total output, making the total export in relation to total output 8 per cent. Total output last year was 2,600,000,000 feet and total export of raw material 210,000,000 feet, practically all of which went to Japan and the United States. United States exports more in raw material than it imports from British Columbia and has even exported to British Columbia. Importation in United States is not a factor so far as United States production is concerned.

In British Columbia it will always be necessary to have authority for export for safety valve to meet market conditions and insure clean cutting. An attempt has been made here to make political capital out of the situation, but I do not consider the situation here in the slightest jeopardy except from ravages of fire and natural devastation. Natural reforestation at the present time exceeds the annual cut and damage from all sources. With the public educated in fire prevention and reasonable precautions in forest management the timber industry of British Columbia is perpetual."

This statement of policy has been sent at The Financial Post's request following Mr. Pattullo's denial of a statement credited to him in regard to his government's policy.

SERIOUS SLUMP FOLLOWS BOOM IN OIL STOCKS

Calgarians Have Seen Prices Drop About 50 Per Cent.

WANT ONE MORE WELL

Another Success Would Prove the Field and Send Prices Soaring—Operations in Field Are in Strong

By D. E. CUSHING,
Mining Editor, The Financial Post.

CALGARY.—The severe slump in oil stocks which set in early last week has continued to the disgust of most Calgarians. Speculators who rushed in to purchase shares at the top are repenting at leisure and have a paper loss of around fifty per cent. to-day. Fortunately there is no marginal trading in the oil shares or the break would have been much greater, as it is generally admitted that Calgarians had bought to saturation point and would have no funds to take care of weakly margined accounts.

Compared with the high prices which prevailed a couple of weeks ago most stocks are cheap to-day, but the fact is that the level reached two weeks ago was quite out of proportion with the position of the industry. The wild orgy of buying carried prices much too high and some are still at a position which discounts a lot of good news.

One can almost say that everyone is disappointed. Turner Valley today has but one big well—Royalite four. It had that a year ago. The recent boom, however, was based partially on a movement to discount good news expected almost immediately and was buoyed up in moments of weakness by rumors which turned out to have no foundation.

A Visit to Turner Valley

These expectations were a little premature; by this time at least two more producing wells were expected. I walked over every property in the Turner Valley field to-day and the second producer is not yet earmarked in so far as I was able to judge. Four wells look interesting showing gas and some oil, but the situation is complicated, the geology difficult to size up to the end that one may estimate with any degree of certainty the depth at which supposedly favorable formation will be pieced.

One of these wells, the Vulcan, is below the level where the Royalite well came in. Another, Royalite five, using a rotary rig, is shut down for the time being, while others are getting encouraging quantities of oil and wet gas. They are McLeod two, Illinois and Alberta.

It is an interesting and impressive field. Only photographs will enable

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B.C. Plans to Sell More on Prairies

VANCOUVER. — Action towards the development of inter-provincial trade between British Columbia and the provinces of Alberta and Saskatchewan will be taken immediately.

Manufacturers of British Columbia, seeking development of the great prairie market for their products, will place exhibits in many of the 1926 fairs to be held in the principal prairie cities.

Mayor L. D. Taylor will choose a strong committee composed of business men and municipal authorities of the principal cities and municipalities of British Columbia to further the development plan. The committee will be a permanent body, and one of the first ventures will be a tour of the principal cities of the prairies during the annual exhibition time. Displays of British Columbia's manufactured products will be explained.

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The Trend of Business and Industry

Conducted by H. M. CAMERON, Statistical Editor, The Financial Post.

Use of Scientific Methods Helps Lower Wholesale Costs

Many Economies May be Effected in Credits, Stock Turnover, Simplification of Styles and Frequency of Orders

COMPETITION in the wholesale trades has been so keen that it has forced a continuous reduction in selling costs. As a result these costs are, in most cases, close to rock bottom. But competition is still keen and further reductions are essential. A thorough study of wholesale costs made by the National Distribution Conference, Washington, does not disclose many glaring wastes. It points out, however, that "through more scientific planning and a higher quality of management it should be possible to effect an improvement over present conditions in many cases." While the possibility of lowering distribution costs is less obvious in the wholesale lines than in some other branches of merchandising, the suggestions made by the conference are well worth noting. They are just as applicable to business in Canada as elsewhere:

1. Credits and Collections.—In the matter of credits and collections, practices common in some industries involving extended terms of payment, undoubtedly impose an unwarranted burden on the wholesaler, slowing up turnover of capital, increasing investment charges, and thus adding to the cost of doing business. Financing is the proper function of the commercial banker and not of the jobber. Improvement in this direction is clearly attainable in many industries.

2. Stock Turnover.—Economies may be effected also by improving the stock turnover. Analyses have shown clearly the importance of a rapid rate of turnover of stock in improving the wholesaler's expense ratio. A quick turnover reduces waste from obsolescence, reduces investment and consequent interest charges, and releases capital for a more profitable employment. However, in each industry there seems to be a natural point beyond which it is not profitable to force the turnover.

3. Distribution Costs of Different lines.—It is necessary to know the cost of handling individual lines in order to control costs intelligently. The cost of one item should not be loaded on the selling price of another. Most wholesalers are required to carry a great variety of items in order to give complete service to their customers. The expense involved in handling these items or groups of items often differs widely. Accordingly, the ratio of margin varies considerably and is frequently fixed on rather inadequate data. While accurate figures are admittedly difficult to determine, several industries have made some very striking progress in this direction, and further study might result in a more equitable allotment of expenses to the advantage both of the wholesaler and the general public.

4. Amount and Frequency of Orders.—Study should be made of the effect of the size and the frequency of orders on costs, and the possible savings from the groupings of small orders. Through closer co-operation between retailer and wholesaler it may be possible to effect further economies in this direction. In this connection, the effect of bulk compared with package goods, the size of the package, wastes of repacking, excessive handling, etc., might be studied profitably.

5 Seasonal Conditions.—Consideration should be given to the effect of seasonal conditions on the volume of sales. An attempt should be made to prevent or modify these conditions in many industries. Where prevention is possible more attention should be given to the proper regulation of inventories to meet the seasonal situation.

6. Simplification. — Obviously, some savings in expenses would result from carrying fewer styles and varieties. However, the individual jobber must weigh the loss in goodwill which might result against the most rapid turnover of inventory made possible by the reduction in the number of different items sold.

7. Profitable Competition. — Due to competition it is probable that some wholesalers try to serve too many customers, or a territory too extensive for the size of their business. This may in certain instances lead to an unwarrantedly high selling and administrative expense, which must be borne ultimately by the public.

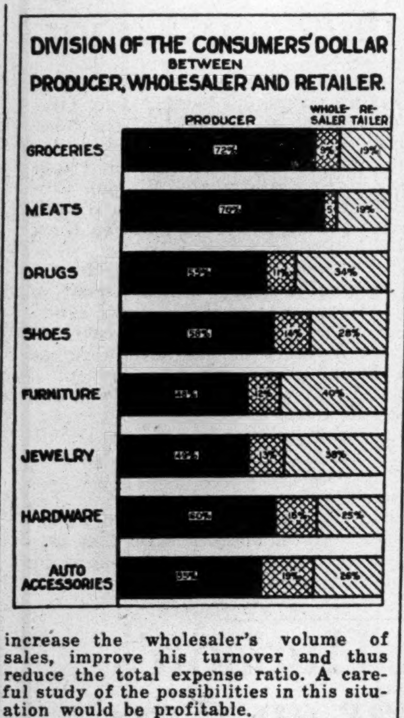
8. Advertising Results.—A more careful study of the financial results of advertising would be profitable. A further analysis of this increasingly important phase of distribution should be of great value to all producers and distributors.

9. Direct Shipments.—In some industries it may be advantageous for a wholesaler to order bulk quantities of merchandise to be shipped direct from the manufacturer to the retailer. In such cases the wholesaler acts as a broker with profits limited to what a broker with a low fixed expense would receive, resulting in a corresponding saving to the ultimate consumer. At the same time these transactions tend to increase the wholesaler's volume of sales, improve his turnover and thus reduce the total expense ratio. A careful study of the possibilities in this situation would be profitable.

10. Unbalanced Expenses.—It should be pointed out that the expense ratios of many concerns in every industry do not compare favorably with the "typical" ratios analyzed in this report. While there are frequently sound reasons for these exceptional cases, yet it would be advantageous for each separate unit in an industry to at least try to approximate the "averages" or "typical" figures here tabulated. It should be helpful also for each concern within an industry to set up as a goal to try for, the operating cost ratios which have been realized by the best-managed companies within their field.

The intensive study of this problem should constitute an important part of the work of wholesale trade associations during the next few years.

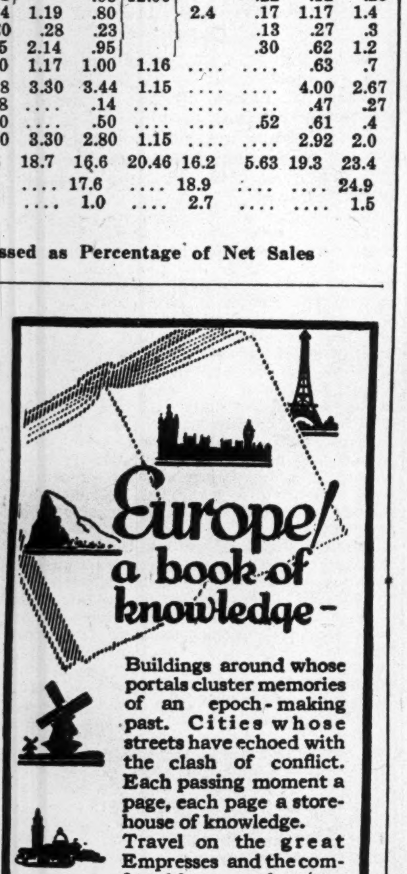
11. Plans and Budgets.—Finally, it has been clearly demonstrated that careful forward planning or budgeting is necessary if costs are to be kept at a minimum. It is strongly recommended, therefore, that wholesalers whether large or small, keep careful records of the essential figures showing past performances; that analysis be made of such data according to the standard methods, and that this information be used as a basis of planning future operations. Present performance should constantly be compared with past performance, with a view to further improvement. Each business, also, should study the relation of the particular industry to the general business situation in order to make the fewest possible errors in judgment.



1923-24	Groceries	Meats*	Drugs	Shoes	Dry Goods	Jewellery	Paper	Lumber	Hardware	Automotive equipment
Direct selling costs	2.75	....	3.84	4.69	5.98	6.29	6.20	....	5.08	8.9
Total sales force	2.6	1.3	3.6	4.41	5.7	....	4.70	2.23	4.58	7.8
Advertising	.06	....	.15	.28	.13	6.29	1.50	.06	.50	.8
Other selling	.09	....	.09	....	.15			....	....	.3
Warehouse costs	2.15	....	3.52	3.97	1.09	....	5.4	....	2.99	2.5
Wages	1.2	.59	2.7	2.92	.8	....	4.3	....	2.16	1.8
Packing and casing	.05	....	.27	....	.13	....		....	.18	.2
Outward freight	.9	....	.55	1.05	.16	....	1.1	....	.65	.5
Administrative & general	3.75	....	5.76	8.04	6.09	13.16	4.6	....	7.31	9.65
Salaries	2.0	.31	3.4	2.89	2.8		....	1.88	4.05	4.8
Supplies	.2	.13	.36	.37	.26		....	.12	.45	.7
Telephone, etc.	.07	.07	.11		.05	12.00		.22	.12	.25
Rent, light, etc.	.58	.29	.84	1.19	.80		2.4	.17	1.17	1.4
Insurance	.15	.01	.20	.28	.23			.13	.27	.3
General	.35	.34	.55	2.14	.95			.30	.62	1.2
Bad debts	.40	.15	.30	1.17	1.00	1.16	....	....	.63	.7
Other charges	1.91	....	2.48	3.30	3.44	1.15	....	....	4.00	2.67
Repairs, etc.	.11	.07	.18	....	.14	....	....	....	.47	.27
Taxes	.3	.03	.40	....	.50	....	....	.52	.61	.4
Interest	1.5	.49	1.90	3.30	2.80	1.15	....	....	2.92	2.0
Total expenses	10.6	3.92	15.6	18.7	16.6	20.46	16.2	5.63	19.3	23.4
Margin	11.3	....	17.	....	17.6	....	18.9	....	....	24.9
Profit	.7	....	1.4	....	1.0	....	2.7	....	....	1.5

*—1919.

Wholesale Operating Costs Expressed as Percentage of Net Sales


Europe/ a book of knowledge -

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CANADIAN PACIFIC

WOULD LOAD UP GRAIN EMPTIES WITH N.S. COAL

But Another Problem is to Get Grain to go to Canadian Ports

From Our Own Correspondent.

HALIFAX.—Two main proposals for overcoming the freight rates handicap of the Maritime Provinces were put forward at the Canadian Railway Commission hearing in Moncton this week—one by the Maritime Rights delegation and the other by the British Empire Steel Corporation. They do not conflict.

The proposals, made by Col. J. L. Ralston, spokesman for the delegation are briefly as follows:

(1) A cut in local rates.

(2) Restoration as arbitraries of the "Maritime differential" of six cents a ton in favor of St. John, Halifax and Sydney shippers over freight eastbound from Montreal. This differential was part of the old pact at the time the Intercolonial was built and no satisfactory reason has ever been given for its abolition, which took place in May, 1912.

(3) A blanket rate from all Maritime points to give access to Montreal on the same terms as access is had by Toronto.

The second proposition was put forward by J. R. MacIsaac, traffic manager for Besco.

Briefly it recites that most of the freight on the eastern lines of the C. N. R. is eastbound; most of the westbound traffic consists of empties going back to central Canada.

Experiments conducted on the Sydney and Louisburg Railway, a subsidiary of Besco, show that it costs only 12 cents a ton more to haul cars loaded with coal than the same cars empty. The corporation therefore suggests a low rate on coal westbound, the car supply to be maintained by shipping grain through Halifax instead of through American ports.

The Algoma Steel Company opposed by letter the Besco proposals, claiming that the Nova Scotia concern already has many freight rate advantages over its Ontario competitor.

Quebec City and Toronto Board of Trade sent messages favoring the requested Maritime differential. Toronto was represented on the spot by T. F. Marshall, transportation manager of the Toronto Board of Trade. Montreal suggested more time to consider the general effect of the proposal upon the rates structure of the Dominion as a whole.

Commissioner Oliver questioned Col. Ralston at length on several points and F. F. Flintoft, K.C., C.P.R. counsel, also voiced skepticism of the proposed remedy pointing out that grain does not move through Halifax and St. John, but through Portland, and Montreal, although the rates are the same through all four.

Commissioner Oliver also questioned Mr. MacIsaac, asking him if it is not high cost of mining coal rather than of rail transport that places Besco at a disadvantage in the Montreal market. Mr. MacIsaac said he could not give the exact cost of coal production, and did not reveal the water transportation charge to Montreal.

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Failure Liabilities Are Down 29 Per Cent.

Business failures for the first quarter of the year have dropped off sharply when compared with the first quarter of last year. Liabilities show a decline of 29 per cent., and the actual number of failures is 11 per cent. lower. With regard to areas, marked improvement took place throughout the country, with the exception of Nova Scotia and Prince Edward Island, where both number of failures and liabilities involved rose. The improvement is attributed to generally improving business conditions and increased purchasing power.

The failure figures for the first quarter as prepared by Bradstreets were:

1st Quarter—	No. of Failures 1926	1925	Liabilities 1926	1925
Ontario	185	215	$2,609,005	$3,028,661
Que.	215	243	3,113,586	5,219,975
N. Brun.	12	15	83,830	181,627
N. Scotia	36	30	545,798	317,272
P. E. Isl.	2	1	17,500	1,500
Manitoba	62	64	461,015	663,273
Alberta	18	31	131,300	384,942
Sask.	36	38	289,286	400,792
B. C.	27	32	315,016	485,634
Yukon Terr.	..	..	....	....
Total, Canada	593	669	7,566,336	10,683,676

Canadian Business Indicators

INDUSTRIAL

Car Loadings—

	1926	1925
Week of Apr. 3	50,228	51,442— 2.3%
Year to date	713,006	681,432+ 4.6%

Grain Receipts—

Aug. 1 to Apr. 3	330,623,047	212,928,480+55.5%

Building—

3 months	$22,893,624	$19,769,912

Railway Earnings—

2 Months—	1926	1925
C. P. R.	$26,083,139	$ 26,683,223+10.1%
Oper. Exp.	22,376,250	21,944,754+ 2%
Net	3,706,889	1,738,469+113.3%
2 Months—		
C. N. R.	35,749,259	33,202,510+ 7.6%
Oper. Exp.	32,803,217	32,317,984+ 1.5%
Net	2,946,042	884,526+2.33%

Pig Iron Output—(tons)

Jan., 1926	Dec., 1925
56,644	54,889+ 3.2%

FINANCIAL

Bank Clearings—

	1926	1925
February	$1,317,595,039	$1,090,429,439+20.8%

Savings Deposits—Chart. Banks—

January	$1,316,288,358	$1,249,622,592+ 5.3%

Current Loans—By Banks—

January	869,591,897	910,697,141— 4.5%

COMMERCIAL

Balance of Trade—

12 months, Feb. 28—	1926	1925
Exports	$1,310,459,464	1,079,088,809+21.4%
Imports	911,107,055	799,248,046+ 14%
Balance	399,352,409	279,840,763+42.8%

Wheat, No. 1 Nor., Winnipeg—

1926	1925
April 12 $1.54	April (Av.) $1.85

Cattle—(Good, Toronto)

April 12 $8.50	April (Av.) $7.58

Hogs—(Select, Toronto)

Apr. 12 $13.00	Apr. (Av.) $13.45

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Deposits (Oct., 1925).....£40,790,229

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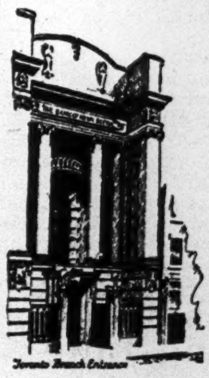
This office, which is a complete unit having behind it the entire organization of the parent institution, is equipped and ready at all times to give the business man as complete a service in every department of banking as is to be found in any office of the Bank of Montreal.

Visitors to Paris wishing to avail themselves of the facilities of this office should request their bankers to arrange bank facilities with the Bank of Montreal (France) at Paris.

Bank of Montreal
Established 1817
TOTAL ASSETS IN EXCESS OF $750,000,000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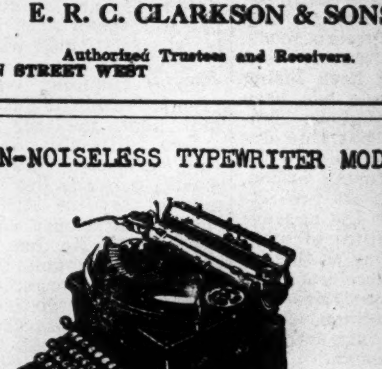
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68 King Street West, Toronto 2
J. A. Wright, Provincial Manager

MANUFACTURERS SHOULD SUPPORT CANADIAN PAPERS

T. A. Russell Says National Advertising Would Help Business

KITCHENER.—The advisability of Canadian manufacturers supporting Canadian newspapers and other periodicals published in the country was emphasized by a prominent manufacturer, T. A. Russell, Toronto, president of the Willys Overland Company, Ltd., in an address before the members of the Waterloo County Canadian Club. Mr. Russell who took as his subject "Some problems of the Canadian manufacturer," pointed out that national advertising would assist materially in the development of trade and help to keep factories busier in the dull periods of the year. "If we do not support our own publications nobody else will and there will be no Canadian publications and the field will be left to the United States publishers," he remarked. As to whether there should be a tariff against American publications coming into this country many of which were monstrosities he would not say as a tariff perhaps might not seem to be the natural thing, but he believed that some protection in one way or other should be provided against them.

In reviewing some of the problems of the Canadian manufacturer Mr. Russell believed that one of the best ways to keep factories busier in the quiet period in the home market was to develop export trade. "There seems to be a lack of appreciation of the possibilities in the export field and in foreign connections. We should rely on the development of export trade more than we have. This is true in many lines of business. I know it is so in the motor car industry and I question whether any motor industry in Canada to-day could be maintained if it had no export trade," he said. He pointed out that his own company had sold twice as many cars last year to the Strait Settlements than to New Zealand. "Ten years ago such places were not even thought of as export fields. There will be keen competition, perhaps heavy losses, particularly at the start, but in the end it will be found that you will have a better total and your loss will not be as big as it would have been had your plant been idle in the quiet period in the home market," he said.

Other Problems

In speaking of other difficulties of the Canadian manufacturer, Mr. Russell alluded to the fact that the demand for products in many lines of industry occurred in a short period of the year. For example in the motor car industry sixty per cent. of the business was done in four months of the year and the result was that during two thirds of the year two thirds of the plant was idle. Canadian manufacturers therefore had a tremendous overhead expense with not sufficient business. He pointed out that the position of the United States was different because in that country there were various climates which meant that the American manufacturer could spread his operations over the whole year. Under the conditions Canadian manufacturers frequently found that profits accumulated on June 30 had all melted away by December 31.

Another point touched on was the fact that American manufacturers were better situated than Canadian with regard to certain lines of products, for example farm implements. The American manufacturer of the middle west apparently was better acquainted with the needs of the western Canada than Ontario manufacturers who were continuing their business along lines built up to meet the needs of Ontario.

Why Higher Prices

Mr. Russell referred to the common question as to why prices of Canadian goods so often were higher than those made in the United States. He said that while the costs of some materials were higher here than in the United States the principal factor was the higher overhead costs in Canadian plants. For example, the dies used for stamping purposes in his plant cost $100,000. On the basis of a production of 100,000 cars in an American plant the expenditure represented $1 per car whereas calculating on a 5,000 basis in a Canadian plant the cost of the equipment in the latter represented $20 per car. "Plants must be kept up to the minute. It is a serious mistake to get into the habit of not being up to the minute. You must always be ready to scrap your plant. Write down your capital assets. Make ample provision for replacing the plant with a new one," he said.

In conclusion he urged Canadian manufacturers to visit the various parts of the country and become better acquainted with conditions and needs. If they did this they would also be better able to live up to the ideals of the Canadian Club.

LAND AT HUDSON'S BAY AT $1.00 AN ACRE TO CLEVELAND CITIZENS

(Continued from Page 1)

a thousand miles and the average speed should be 120 miles an hour, making it a delightful and fascinating daylight journey.

"From the syndicate seaplane base on Hudson's Bay numerous air trips can be made into forests, lake and river regions never seen by white man. The possibilities for the adventurer, the explorer and the sportsman are beyond comprehension.

Will Raise no Flag

It is assured that:

"By arrangement between the syndicate and the Imperial Canadian government no jurisdictional claims will be made to territory discovered through the efforts of the syndicate or its members, and no attempt will be made to raise the American flag and lay claim to the land for the United States. The syndicate realizes that diplomatic relations with the official Canadian government are at all times essential to its success and therefore yields to Canada the right of possession and ownership to all new territories resulting from its exploratory operations."

Canada is going to make extensive grants to the Syndicate, they state, and it is mentioned that for the concession of agreeing not to plant any American flags on any territory "discovered" that:

"In return for this concession the Imperial Canadian government will undertake to grant to the syndicate several large tracts of lands and groups of islands in the Hudson's Bay region with permission to allot portions of the same to the syndicate members, under and by virtue of a special act of parliament."

Can Buy Additional Land

Those who join the syndicate at $2 per life membership will be permitted to purchase any additional acres of land at $1 per acre.

After some discussion of the wonderful possibilities of Hudson's Bay and the opening for airplane traffic between this land of untold wealth and Cleveland, the official announcement issues a challenge to "red-blooded Americans." It urges:

"Do you feel yourself growing old; are you slipping? If so, go down to Florida and keep on slipping, but if you are seeking a revival of youth and vigor join the Hudson's Bay Exploration Syndicate, Ltd. Weaklings are not wanted."

W. J. Crawford, Jr., is named as treasurer and his is the only name appearing on the literature indicating the backers of the syndicate. The Financial Post is informed that he is a real estate agent of Cleveland.

Started As a "Joke"?

A Cleveland lawyer, Dr. R. B. Newcomb, was in Toronto this week, and admitted to The Financial Post that he was one of the promoters of the syndicate. He stated that it was started first as a joke in order to interest Cleveland people in Canada. A large amount of money was taken in for membership fees and on account of Hudson's Bay land. It was when the money began to come in and the "jokers" began to study the possibilities of their scheme, that they decided to attempt actually to get their land grant from Canada. In reply to a question, the lawyer stated that the syndicate had not returned the money paid into its treasury for the Canadian land but was holding it to see if the scheme could not be made a reality.

FIRE LOSSES HAVE INCREASED OVER PRECEDING YEAR

Total Stumpage Loss Alone Amounts to Almost $7,000,000

From Our Own Correspondent.

MONTREAL.—In general, the forest fire situation in Canada during the past year was very similar to that of 1924 but, in many instances much heavier losses were experienced. Quebec and the Maritime provinces experienced the lowest annual fire loss so far received; in the Prairie provinces losses were moderate, and west of the Rockies the destruction by forest fires was the greatest which has ever been experienced in that section.

These extremes clearly indicate the dominant influence of varying weather conditions on the annual regional loss from fire. Weather conditions generally last summer in eastern Canada were unfavorable for the start and spread of fires; through western Ontario and the Prairie provinces the weather was much drier and warmer than in the East, and in B. C. a lengthy period of high temperature coupled with a low humidity augmented the damage which might otherwise have occurred.

The Fire Loss Figures

Fire losses in Canada during 1925 were heavier than in the previous year but were less than the average for the five year period 1920 to 1924. In all there were 5,490 forest fires recorded last year, burning over an area of 1,913,066 acres and causing a total loss of $6,646,889. The following table gives the figures in detail:

	1925	Average 1920-24
Total number of fires....	5,490	6,266
Total area burned (acres)	1,913,066	3,066,951
Mature timber:—		
Area burned (acres)...	300,015	722,191
Timber burned (M.bd.ft.)	2,471,000	3,580,000
Est. stumpage value ..	$4,286,565	$10,482,000
Young Growth:—		
Area burned (acres)....	499,988	850,171
Est. value	$1,118,700	$2,378,338
Non-forested:—		
Area burned (acres)....	1,113,062	857,240
Property burned, value	$701,624	$1,031,462
Total gross damage	$6,646,898	$13,891,800

Fewer Losses in East

During the past year the fire losses of Nova Scotia were purely nominal, whilst in New Brunswick the fires ranged over 2,937 acres of forested land and 2,936 acres of non-forested land.

Owing in part to the excellent fire patrol system now established in Quebec, and also to the favorable weather conditions, only 25,000 acres were reported as being burned during last year. This area was about 10 per cent. of that which was burned in 1924 and less than 1 per cent. of the 1923 figures. In Ontario a total area of 187,494 acres was fire swept, of which 65,784 acres was young growth and mature timber.

In the forested areas of Manitoba, Saskatchewan, and Alberta a somewhat normal fire hazard prevailed. Of the 606 fires reported 60 per cent. were extinguished before reaching 10 acres in size. The area burned over consisted of 65,000 acres of mature timber, 105,100 acres of young growth, and 200,348 acres of non-forested land, totalling 370,448 acres.

During 1925 British Columbia suffered the worst forest fires in her history. A total of 3,010 fires was reported from federal and provincial lands, covering an area of 1,315,822 acres. This total is made up as follows: mature timber, 217,293 acres, carrying over one thousand million board feet of timber; 303,563 acres of very valuable young growth; and 794,966 acres of non-forested lands.

The outstanding feature was the abnormal number of lightning-caused fires, no fewer than 749 or 25 per cent. of the total. However, in spite of the difficulty of reaching such fires, 69 per cent. of them were suppressed in the incipient stage. About 800 fires were started by careless campers and smokers.

Across Canada and Back

Marvelous beyond conception inaptly describes the glories of Canada's Rockies. To be fully appreciated they must be seen. To start out on a trip by one's self into this unfamiliar but far-famed paradise-on-earth, to many appears quite a task. Realizing this, Dean Sinclair Laird, of Macdonald College, an experienced Rocky Mountains Traveller, for the third year in succession, has undertaken to conduct a party through this glorious wonderland.

A special train of dining, standard sleeping, and observation compartment cars has been chartered, to leave Toronto on July 19th via the Canadian Pacific Railway. Stops will be made at Port Arthur and Fort William, which together form Canada's greatest grain port; Winnipeg Beach, the popular summer resort for Winnipegers; Winnipeg, Canada's third largest city; Indian Head, the chief tree distributing centre of the Federal Forestry Branch; Regina, the capital of Saskatchewan; Calgary, Alberta's largest city; Banff, the world-famous mountain resort; by automobile for 104 miles over the Banff-Windermere Highway, the most spectacular drive in Canada; through Kootenay Lake to Nelson, the commercial centre of Southern British Columbia; then through the Doukhobor country to Penticton; along lovely Okanagan Lake, and to Vancouver, thence by steamer to Victoria.

Returning, the trip will be by the main line of the Canadian Pacific, through the great canyons of the Fraser and Thompson Rivers, and through the Selkirks, and Rockies, affording scenery such as can be found nowhere else on earth; Lake Louise, the Pearl of the Rockies, the most perfect gem of scenery in the world; another day at Banff, Edmonton, the Capital of Alberta; Saskatoon, the city of optimism; Devils Gap Camp, on the Lake of the Woods, near Kenora, thence to Fort William, where one of the fine Canadian Pacific Steamers will be used across Lakes Superior and Huron to Port McNicoll, then rail to Toronto, where the trip will terminate.

Everything is included in the price of $330.00, from Toronto; transportation, sleeping cars, accommodation in hotels, and bungalow camps, meals in diners, hotels and on steamers, and sight-seeing tours at points visited.

The trip is open to all, and applications for accommodation are being received.

Fares from other points than Toronto will be named, and descriptive illustrated booklet sent on application to Dean Sinclair Laird, Macdonald College Post Office, Que.

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TORONTO 2

The Securities Markets

CANADIAN STOCKS HOLDING UP WELL IN FACE OF BREAK

New York Recovery Would Likely Mean Good Advance

Market Indicator

	High	Low
20 Industrial Stocks		
Week of Apr. 14	92.4	89.7
Week of Apr. 7	92.3	89.0
Mth. of Apr., 1925	73.3	67.6
9 Bank Stocks		
Week of Apr. 14	$224	$223
Week of Apr. 7	224	223
Mth. of Apr., 1925	205	203
10 Public Utilities		
Week of Apr. 14	92	91
Week of Apr. 7	93	92
Mth. of Apr., 1925	86	82

Although losses predominate in the net results of the week's trading on the Canadian stock exchanges, the feature of the situation perhaps is the manner in which Canadian securities have held in the face of the continued slump in prices in New York. The liquidation in Wall Street has continued on a wide scale and intermittent rallies have failed to hold the ground gained; these rallies have evidently merely been covering by the shorts taking profits and there has been little indication of restored confidence on the part of the investing public. The decline throughout has been conducted in an orderly manner but it has nevertheless been of a most drastic character, assuming the proportions of a decidedly bear market. There has been no evidence of a money crisis and this has undoubtedly facilitated an orderly retreat from the inflated positions which had been established.

On the Canadian markets changes appear to be in the nature of adjustments rather than a general decline. There would appear to be reason to assume that had it not been for the New York break the prices in Montreal and Toronto would have been carried to higher levels. There has been no change in business conditions and moderate improvement continues but speculation has been discouraged. There is no evidence of a curtailment of the easy money supply; in fact the bank statement out this week shows still further reduction of current loans with a substantial increase in savings deposits making a new high mark in history for the surplus between these two figures. The feeling is that, in view of the resistance the market has shown, any definite recovery in New York would be followed by a general advance in prices on the Canadian exchanges.

Some attention is being paid to the trend of commodity prices and this will be no doubt prove a factor in the market situation. However, while some of the industrial concerns may be adversely affected there is reason to believe that the public utilities will benefit. All during the period of rising prices the public service companies found their costs rising while in most cases efforts to increase rates charged the public were futile. However, over a period of years there have been some increases granted and the companies have in other ways been successful in increasing the margin between revenue and expenses. Now if there is a reduction in commodity prices which will have the effect of reducing costs these companies stand to reap the benefit.

In the group there were general recessions of small proportions while Price Brothers developed marked strength, gaining five points. Abitibi was off half a point and Spanish River a point, while Brompton declined about a point and a half.

In the steels, Steel of Canada gained a point and some other stocks in the group gave a good account of themselves. Ontario Steel was up half a point, Dominion Bridge 2½ points and Canadian Car a point. On the other hand Canadian Foundries preferred dropped four points, Locomotive preferred two points, Dominion Iron preferred nine points, Dominion Radiator two points, McKinnon Industries three points and Massey-Harris common five points, while the preferred eased two points.

In the utilities Bell Telephone was a little easier and Consumers' Gas sold off on the announcement of new financing. Jamaica Public Service gained on the publication of a satisfactory report. Mexican Light was up a point. Montreal Light, Heat and Power continued to gain ground, making a high record of 230. Ottawa and Hull Power gained a point. Other changes were not important. In the traction section there was heavy trading in Brazilian which showed a decline of two points. Duluth-Superior, Twin City and Winnipeg Electric were fractionally easier.

In the textile group Canadian Cottons preferred sold off from 47½ to 43 and Wabasso Cottons from 45 to 42 but Dominion Textile and Penmans were both strong, the former gaining half a point to 93 and the latter 2½ points to 177.

There was some weakness in the milling stocks with Lake of the Woods selling down from 157 to 150 and St. Lawrence off from 35 to 30 but others held comparatively steady.

Shredded Wheat, however, developed strength, selling up from 190 to 196. Other stocks in the food group held comparatively steady. Atlantic Sugar, and City Dairy both sold at better prices.

In the miscellaneous group the asbestos stocks were very strong, the old common selling up from 90¼ to 97 and the preferred from 114 to 120; the new issues were likewise bought freely. Canada Cement sold off a couple of points, the talk of a price war in the cement field no doubt being the cause. F. N. Burt gained a couple of points to 56. King Edward Hotel sold off two points to 39. Wm. Rogers was weaker at 57. A number of other members of this group lost a point or so.

There was no important change in the position of the bank stocks but a number of them sold off about a point.

	Gains	Loss	Unch.	Total
Banks	1	3	5	9
Paper	3	6	3	12
Steel	6	9	7	22
Foodstuffs	6	10	9	25
Utilities	12	4	3	19
Tractions	..	7	3	10
Textiles	3	4	2	9
Industrials ...	9	15	7	31
Totals	40	58	39	137

Canada Steamships Acquires New Assets

From Our Own Correspondent.

MONTREAL.—A considerable amount of investment attention is focused on the shares of the Canada Steamship Lines and it is thought probable that a plan may be submitted to the shareholders at the forthcoming annual meeting whereby some disposition will be made of the arrears of preferred dividends; it is understood that several plans are under consideration in this connection.

The acquisition of the George Hall Coal and Shipping Co. and the Great Lakes Navigation Co. has been completed and it is understood that all final details have been arranged. As yet, there has been no announcement with regard to the permanent financing of the company, but both deals will involve some $12,000,000. It has been rumored that the investment houses of Nesbitt-Thomson and Co. in Canada and Kissel Kinnecutt and Co. in New York will handle the new bond issue. In any event these firms have been connected with C. S. L. financing in the past.

WESTERN GROCERS SHARES LISTED

MONTREAL.—The new stock of Western Grocers, Limited, created as a result of the recapitalization plan adopted some time ago, is being listed on the Montreal Stock Exchange this week. The new securities comprise 16,943 common shares of no par value and 11,943 7 per cent. cumulative preferred shares of $100 par value.

Railway Earnings

CANADIAN NATIONAL RAILWAYS

Week end.	1926	1925	Change
March 31	$7,264,474	$5,675,122+	$1,589,352
April 7	4,514,256	4,069,497+	444,759

CANADIAN PACIFIC RAILWAY

Week end.	1926	1925	Change
April 7	$3,215,000	$2,853,000+	$362,000

No Compromise in Security Values
DEMAND STERLING REPORTS
CERTIFIED REGISTERED PROFESSIONAL ENGINEERS
Sterling Appraisal Company Limited
9-11 E. Wellington St. Toronto

INDUSTRY TAXED AND ADEQUATE TARIFF DENIED

Average Protection in Steel Industry under 10% Says McMaster

HAMILTON.—A "contrary policy" on the part of the federal government, which places the burden of taxation upon business and at the same time gives inadequate protection to Canadian industry, is blamed by Ross H. McMaster, president of the Steel Company of Canada, for the lack of progress in recent years in the steel industry.

Mr. McMaster, speaking before the annual meeting of Steel Company shareholders, also dwelt upon the keen competition in the industry. Discussing the annual report of the company, he said in part:

"While the results for the past year are comparatively gratifying, the profits, if calculated upon the amount of money invested in the business represented by share capital, surplus, and usable reserves, do not show, by any means, the yield which might be expected from enterprise and capital engaged in an industry subject to varying conditions of business. Any calculation based simply on ordinary share capital, while proper for purposes of comparison, is liable to create the erroneous impression that excessive profits have been made, as it disregards the capital employed which is not represented by issued shares. Since the inception of the company there has been no increase in capital stock, and undistributed profits have built up a substantial surplus and other reserves which represent funds invested in the business, which are equally entitled to an adequate return. It may be observed also that interest from investments covers a large share of our bond interest obligations.

Prices Lower

It is mentioned in the report that prices throughout 1925 declined in comparison with the previous year.

"Some lines have suffered unduly by reason of the extremely keen competition for business, which prevailed.

"This anxiety to secure orders has not been guided, in some respects, by those commercial principles which ought to have their influence in establishing market prices. In a business with the widespread ramifications of the steel industry (which embraces the mining of coal and ore to the manufacture of the finished product), a fact sometimes overlooked is that the investment considerably exceeds the annual turnover. It is, consequently, important to realize that profits are not adequate unless they are more than sufficient to cover the interest on such investment and, therefore, a carelessness in marketing methods is bound to lead to inadequate margins and an insufficient return. As prices in Canada, on some lines, have receded to lower relative levels than prevail in external markets, without considering duty, although having regard to delivery points involved, there seems reason to feel that less destructive methods might be followed.

Progress Lacking

"With regard to the steel situation in general, the progress, or perhaps I should say lack of progress, of the steel industry in Canada during recent years is not generally appreciated. The competitive conditions I have referred to have been accentuated by the narrowing of the market as a consequence of the various tariff changes made from time to time. These embrace preferential trade agreements, drawback items, and exceptions from duty which apply to steel for particular purposes—also free list items which have been added and which, supported by lower wages and depreciated currencies in other countries, have facilitated the entry of foreign sellers into this market.

"Statistics show the production of steel ingot in Canada has been as follows:

Calendar Year	Gross Tons
1912	821,000
1913	1,006,000
1914...............	725,000
1923...............	840,000
1924...............	625,000
1925...............	734,000

"It will be observed that, during the past two years, in spite of the general increase in consumption of steel per capita shown in most other markets, the production in Canada has been less than shown during 1912 and 1913. In fifteen years Canadian production shows an increase of less than one and one-half per cent., while in the United States the increase has been seventy-five per cent. While this is due in part to the reduced consumption of steel rails in recent years, it emphasizes the need that exists to encourage the production of other forms of iron and steel.

Production Discouraged

"During the war, when supplies of steel for war and commercial needs were largely drawn from domestic sources, the steel manufacturers were encouraged to add to their productive capacity in order to support the war effort and the needs of the many subsidiary industries depending on steel production. Since that time, however, whatever measures have been instituted have served rather to discourage the production of basic steel in Canada, with the result that our importations, in recent years. have almost equalled the tonnage of the Canadian output.

Heavy Taxation

"The encouragement of productive industry in Canada is of special importance at this time, both in supporting immigration and transportation, as well as a means of carrying our burden of taxation. Responsible authorities have calculated that our taxation (federal, provincial and municipal), as related to the net value of the entire Canadian production, represents almost 25 per cent. In other words, for every dollar yielded from the productive effort expended in all industry, we have to set aside about twenty-five cents to satisfy the tax collector. Under such circumstances the prosperity of industry is of vital importance, if such a load is to be assumed and a sufficient margin left for the support of an adequate scale of living and the replenishment of capital.

Burden on Business

"Our adopted form of federal taxation derives the largest share of its proceeds from organized business, so it seems abundantly evident that industry, in manufacturing and other lines, should be preserved in a healthy state. It should be equally recognized that, when products manufactured in Canada yield almost twenty-five cents in taxes for every dollar of added value produced, it is a poor bargain for this country to admit commodities similar to those produced at home without payment of any contribution to our federal or other exchequers.

Contrary Policy

"A contrary policy, however, has been followed, as an examination of our tariff reveals that there are 55 items which admit steel and iron of various descriptions duty free, or provide a drawback of substantially the entire duty when intended for particular purposes.

"A recapitulation of our steel imports over recent years, embracing rolled products and other lines of iron and steel which this and other Canadian steel companies produce, shows the duty collected on imports give an average ad valorem rate as follows:

Year ending March 31	Average Rate of Duty
1922..................	10.65%
1923..................	10.59%
1924..................	9.29%
1925..................	9.48%

An average rate of less than 10 per cent. is certainly low.

Something Good in Store for "Power" Shareholders

From Our Own Correspondent.

MONTREAL.—Despite the general market weakness, the stock of Montreal "Power" displays signs of strength. The most casual glance at the power situation in the province of Quebec reveals the fact that the future of the Montreal Light, Heat and Power Consolidated should be equally as brilliant as its record in the past.

Through its connection with the United Securities, the company is in complete control of the distribution of power in the city of Montreal, and, in addition, the United Securities is a link connecting Montreal "Power" with the Shawinigan Water and Power Company, which, through its subsidiaries, either controls or works in close co-operation with practically all the power companies in the province of Quebec.

Coupled with this is the thought that the province of Quebec is making more rapid industrial strides than any other province in Canada and may become the premier industrial province in the Dominion.

Therefore, even the most superficial consideration of the power situation in Quebec leads the observer to believe that what is eventually in store for the shareholders of Montreal Power—and also Shawinigan—will be something well worth while and something which will more than justify the present low yields on both these stocks.

ILLINOIS POWER HAD BETTER YEAR

Increase in Both Gross and Net Earnings Indicated in Annual Report

Combined gross earnings of the Illinois Power and Light Corporation for the year ending Dec. 31, 1925, from operation from all sources amounted to $31,648,398. From the above total some $2,566,845 is deducted for inter-company items, leaving gross earnings from operation at $29,081,553, against total earnings of $28,683,702 in 1924.

	1925	1924
Total Earn.	$29,081,553	$28,683,702
Net from oper......	10,609,339	9,107,380
Other income	203,445	500,586
Net earn	10,812,784	9,607,966
Surplus	$ 5,202,368	$ 4,425,019
Pref. divids.	2,012,688	1,633,722
Depreciation	2,133,779	1,891,680
Balance	$ 1,055,901	$ 899,617

In a report to the shareholders Clement Studebaker Jr., president, states that the policy of extension and development has continued so that the company and its subsidiaries now serve in a territory of 15,000 square miles. During the past year the company's gross earnings from operation after eliminating inter-company items increased about 9 per cent., and the net earnings on the same basis after maintenance and taxes increased approximately 16½ per cent. over the previous year. At the same time the ratio of operating expenses to gross income was better by 2.36 per cent. The ratios of earnings available for bond interest and preferred stock dividends were well maintained, and the company's securities continued to enjoy a good market under steady demand.

In the balance sheet current assets are shown as $8,483,009, and current liabilities $6,679,609, leaving net working capital at $1,803,400.

International Pete is Recommended as a Buy

The pipe line connecting the productive fields of the International Petroleum Co. in Colombia with seaboard nears completion. When the line comes into operation the company should double its sales in the opinion of Watt and Watt. The company has had singular success in its Colombian concessions. So far none of the wells drilled have been dry and production capacity has attained 50,000 barrels per day. Heretofore, the only market for the oil and gasoline produced by the company in Colombia has been interior Colombia. In six weeks from now these products will be available for the world's markets.

With regard to marketing facilities, International Petroleum is favored. It is a subsidiary of the Imperial Oil Co., which is a big buyer of crude oil and through the affiliation of the Imperial Oil Co., International Petroleum Co. is linked up with the Standard Oil Co. of New Jersey. International Petroleum has been paying dividends at the rate of 75 cents per annum on its $25 par value stock, and should be able to do much better for shareholders from now forward, in the opinion of the investment house referred to.

Royalite Oil Company's Net Profits Were $335,754

CALGARY.—Operations of the Royalite Oil Company during the year 1925 resulted in a net profit of $335,754 after other earnings had been spent for development work. No dividend has been declared for this period of operations.

The Imperial Oil Company has transferred its interest in the Dalhousie Oil Company, 51 per cent. of Dalhousie stock, to the Royalite Company.

The foregoing facts were announced by the management of the Royalite Company following the fifth annual meeting of the shareholders. Surplus earnings of the Royalite Company are being used for development of the Dalhousie properties, it was stated.

A. M. McQueen, vice-president of the Imperial Oil Company, was elected chairman of the directorate, Hon. R. B. Bennett, K.C., M.P., president; Tronson Draper, vice-president, and Miss F. M. Smith, secretary-treasurer. Other directors elected were, A. E. Cross, William Pearce, C. M. Moore.

GOVERNMENT
MUNICIPAL
HYDRO-ELECTRIC
BONDS

NESBITT, THOMSON & COMPANY
LIMITED
ROYAL BANK BUILDING, TORONTO
MONTREAL QUEBEC HAMILTON LONDON, ONT. WINNIPEG

Rail Mill at Algoma is Working Double Shift

The rail mill of the Algoma Steel Corporation has resumed operations and will continue on double shift until orders on hand are completed. There are now 2,300 men engaged at the plant, and this number may be slightly increased when the strength of the double shifts is finally worked out.

The 12-inch and 18-inch merchant mills are both operating, one of them always on double shift. Steel used in the automotive industry figures largely in the output of these mills. An increase in the demand for this steel has been shown lately.

One blast furnace was blown on March 29, making two in operation and 11 open hearth furnaces are now going full blast.

Two Loan Companies Take Trust Charters

During the session of the Ontario legislature acts were passed confirming the amalgamation of the Grey and Bruce Loan Co. and the Owen Sound Loan & Savings Company under the name of the Grey & Bruce Trust & Savings Co., and changing the name of the British Mortgage Loan Co. of Ontario to the British Mortgage & Trust Corporation of Ontario, and empowering both companies to carry on the business of trust companies under the loan and trust corporations act.

These two acts follow closely the precedents set by the act respecting the Waterloo Trust & Savings Co. in 1922, and the act respecting the Victoria Trust & Savings Co. in 1923.

An advantage accruing to the company operating under a trust company charter as compared with that operating under a loan company charter to do with the amount of savings deposits which may be accepted from the public. In the case of the loan company these deposits are limited in proportion to the company's assets.

Minnesota and Ontario Sells $7,500,000 Issue

Simultaneously with the statement that a bond issue of $7,500,000 has been sold to Halsey, Stuart and Co., by the Minnesota and Ontario Company, is the announcement that an extensive program of expansion and building has been entered upon. The securities sold consist of $4,000,000 first mortgage sinking fund 6 per cent. bonds, series B, and $3,500,000 five-year 6 per cent. notes. The issues will be sold to the public shortly.

The expansion program involves the addition of three new hydro-electric stations which are now under construction near Fort Frances, Ont. Work has also been started on a new high test Kraft Liner board mill at International Falls, which will have an annual capacity of 34,000 tons.

The Minnesota and Ontario Paper Company has mills at Kenora, Fort Frances, and International Falls, and is one of the largest producers of newsprint. It is controlled by the Backus-Brooks interests.

B.C. FISHING DIRECTORS

At a meeting of the directors of the British Columbia Fishing and Packing Co., Ltd., Aemilius Jarvis was elected president and A. C. Flumerfelt of Vancouver named as vice-president. The vacancy on the board caused by the retirement of the former president, W. H. Barker, was filled by the appointment of H. H. Macrae of Toronto.

Famous Players Bonds

The 6½% First & General Mortgage Bonds of Famous Players Canadian Corporation are secured by specific mortgage on seven of the company's largest theatres, centrally located in important cities and valued at more than 3½ times the amount of bonds. They are also a floating charge on all other assets of the company.

For the past four years, earnings after depreciation have averaged over 5 times the present bond interest requirement.

We recommend these bonds as a sound investment at 101 and accrued interest, to yield 6.40%.

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Lehigh Valley Railroad
The Route of The Black Diamond

REORGANIZATION PLANS OF BESCO ARE INCOMPLETE

Stocks Weaken — Said to Have Been Negotiations Between Corporation and Bankers

From Our Own Correspondent.

MONTREAL.—The outbreak of liquidation in the shares of the British Empire Steel Corporation was possibly caused by a better public realization of the fact that some form of reorganization is in the offing. When the heavy selling of the stock commenced, it was immediately accompanied by rumors of all sorts. One of these indicated that there had been meetings between the corporation and its bankers at which it was decided to proceed immediately with a scaling down of the capitalization, though why such action should be accompanied by weakness in the market was not explained.

Another rumor was to the effect that Besco has decided to segregate its coal and its steel properties—it has been said that such a move was recommended in the report submitted by Coverdale and Colpitts, the firm of leading New York engineers which recently submitted its report on the property to the management.

As was announced some weeks ago by The Financial Post, many plans of reconstruction which will place Besco on a better footing are being considered at present—the information obtained by your correspondent from sources close to the company is to the effect that these plans are being steadily worked out, but that the rumors which convey the idea that the full plans have been completed are decidedly more than premature. Thus it would be safe to say that it will be some time yet before the plans for reorganization are even arranged or announced.

MOUNT ROYAL HOTEL POSITION IMPROVED

Directors State, However, Unwise to Distribute Any Surplus

From Our Own Correspondent.

MONTREAL.—The annual report of the Mount Royal Hotel Company for the year ending December 31, 1925, shows net profits applicable to the preferred shares of $272,161 as compared with $73,936 in 1924. The balance sheet also shows a decided improvement with current assets higher than current liabilities; at the close of 1924 the reverse was the case and current assets were $290,757 below liabilities.

The balance sheet shows that almost $600,000 has been written off fixed assets; these are now carried on the books at $9,598,505. Among the liabilities the funded debt and serial notes outstanding have been reduced by $125,000 and the company's surplus has increased from $73,609 last year to $355,061 at the close of 1925.

The profit and loss, and working capital figures over the past two years compare as follows:

	1925	1924
Gross inc.	$2,854,318	$2,617,090
Oper. exp., deprec., etc.	2,286,976	2,230,430
Oper. inc.	567,342	386,660
Bond interest	269,705	275,820
Ser. notes int.	25,476	37,404
Net oper. profit	272,161	73,936
Prior surplus	73,609	46,903
Total	345,770	120,839
Adjustment	a9,291	b47,230
P. & L. bal.	355,061	73,609

a—Credit. b—Debit.

Working capital as at December 31, compares as follows:—

Curr. assets	$458,880	$358,634
Curr. liabilities	415,834	649,391
Net working capital	$ 43,046	c$290,757

c—Current liabilities in excess of current assets.

Directors Report

The report of the directors deals with the plan of financial reorganization which recently did not obtain the support of 75 per cent. of the preferred shareholders and says that as the company only has four months of profitable business each year and as heavy liabilities in connection with the serial notes have to be met, it would be unwise to burden the company further by the distribution of any profits to the preferred shareholders. In dealing with the operations the report says:

"The improvement in the financial position has been accomplished by careful supervision of operating costs, and through increasing business resulting from the efforts of the company and the United Hotels Company of America to secure conventions, tourist and general patronage.

"The percentage of rooms occupied throughout the year has been about 58 per cent. compared with 53 per cent. for 1924, and while the months from June 1 to September 30 produced a very large volume of business, the remaining eight months of the year have not yet shown satisfactory results. The shareholders are especially requested to co-operate with the management and directors to increase the patronage of the hotel during these eight months."

UNLISTED SECURITIES

	Bid	Asked
Brooks Steam Motors	6¼	8
Can. Machinery, com.	3	5
Can. Westinghouse, com.	162	..
Cosgrave Brewery	4	4¾
Dom. Power, pref.	93	96
Farmers Dairy, com.	48	..
Farmers Dairy, pref.	100	105
Gunns, Ltd., pref.	35	37
King Edward Hotel, Deb. A.	81	84
King Edward Hotel, Deb. B.	61	64
K. & S. Tire, pref.	17	..
Loew's Toronto, com.	29	33
Loew's London com.	2¼	2¾
Loew's Ottawa, pref.	15	..
Durant Motors (C)	3	4½
Mount Royal Hotel, com.	4	6
Mount Royal Hotel, pref.	36	38
Willard's, pref.	69	72
Loblaw Groceterias, com.	58	61
Capital Life 25% Paid	23	26
Continental Life 20% Paid	32	..
Crown Life	120	..
Empire Life	22	..
Excelsior Life 25% Paid	44	..
Great West Life	360	..
Imperial Life	210	..
Monarch Life 10% Paid	19½	..
Ontario Equitable	24	27
Re-Insurance	12	15
Security Life, 40% Paid	32	37
Sovereign Life, 25% Paid	24	27
Toronto Finance, pref.	4¼	5¼
Trusts & Guarantee	74	77

ST. MAURICE SALES TONNAGE IS LARGE

New Company Will Handle 1,600 Tons Daily by End of Year

From Our Own Correspondent.

MONTREAL.—Announcement has been made by the St. Maurice Valley Corporation of the formation of its new sales subsidiary, the St. Maurice Valley Sales Corporation. The new subsidiary will handle the sale of the Belgo Canadian Paper Company, the St. Maurice Paper, the St. Lawrence Paper Mills, the Beaver Wood Fibre Company and the Port Alfred Pulp and Paper Corporation.

The combining of the sales efforts should result in a substantial reduction in overhead expenses of all the companies concerned. It is understood that the new sales corporation will have branch offices situated in New York and other important publishing centres. It is also understood that Thomas T. Waller will be appointed vice-president of the St. Lawrence Valley Corporation and will have direct charge of the Subsidiary sales corporation. For many years Mr. Waller was vice-president in charge of sales of the International Paper Company and for the last few years has been in charge of the newsprint department of H. G. Craig and Company of New York, large distributors of newsprint manufactured by independent mills.

By the end of the present year, the mills selling through the new sales corporation will have a combined daily capacity amounting to over 1,600 tons. Thus it will be a dominant factor in the industry.

The St. Maurice Valley Corporation has effected economies in operation through the consolidation of various departments of its components; the latest step in this direction is the placing of the company's entire woods operations under Francois Faure, formerly woods manager for Belgo. The purchasing departments of the two mills have already been consolidated.

Imports of Woollens Continue to Increase

In January, 1926, for the first time in seven years, the import figures for that month show that the yardage of worsteds and serges imported into Canada have increased to over the million mark. The imports of worsteds and serges for the month of January for the last six years are:

	Yds.	$
1921	281,363	656,408
1922	616,217	1,018,547
1923	747,597	1,083,294
1924	993,024	1,186,665
1925	904,855	1,231,067
1926	1,060,414	1,386,104

Stock Market Record

WEEK ENDING APRIL 13

	Div. Rate	Yield Apr. 12	High for wk.	Low for wk.	Close Apr. 13	Close Apr. 6	Sales for wk.	Range, 1926 High	Low
Banks—									
Commerce	12+1	5.98	217	216	216½	216½	77	226	214
Dominion	12+1	6.07	214	214	214	214	62	219	213
Can. Nationale	10	6.25	160	160	160	160	3	170	159½
Imperial	12+1	6.18	211	210	210	211	49	215½	210
Montreal	12+2	5.46	256½	255	255¼	256	176	263	255
Nova Scotia	16	5.46	292	292	292	292	66	300	281
Royal	12+2	5.53	253½	251	252	253	253	255½	248
Standard	12	6.03	199	198	198	198	53	200	198
Toronto	12	5.58	215¼	215	215¼	215	8	222	213
Paper—									
Abitibi, com. (no par)	4	5.21	78	75½	76	76½	1825	85½	71¼
Do. pref.	7	6.36	..	...	...	...	...	116	109¾
Belgo-Can. com.	6	6.00	...	...	...	...	...	100	100
Do. pref.	7	7.10	98½	96⅞	97½	97¼	301	101	95¾
Brompton (no par)	.	....	34	32	32⅝	34	1087	35¼	26
Laurentide	6	6.89	87	85¾	86½	87¼	1037	93½	84¾
Price Bros. com.	2	2.85	70	70	70	65	1415	72	57
Do. pref.	6½	6.66	97½	97½	97½	97½	25	100	95
Prov. Paper com.	6+1	6.86	103	100½	102	102	134	104	100
Do. pref.	7	6.69	104½	104½	104½	104½	85	104½	100
Smith Howard com.	.	....	44	40½	43⅞	43	1000	54½	38
Do. pref.	8	8.29	96½	96¼	96½	97½	10	101	92¾
Span. River com.	7	6.86	103	101	101	102	640	108	99
Do. pref.	7	6.08	116	114	115	116¼	84	119	114
St. Maurice Paper	6	....	...	...	...	...	...	106	104½
Wayagamack	.	....	...	...	...	...	...	83	65
Steel and Steel Industries—									
B.E. Steel com.	.	....	2	2	2	2¼	1690	3⅛	1½
Do. 1st pref.	.	....	25½	25	25½	25½	110	30	25
Do. 2nd pref.	.	....	7¾	7	7	7	1435	10¾	6½
Can. Car & Found. com.	.	....	43	42⅞	43	42	10	49	33
Do. pref.	7	8.64	81¼	81	81	81½	145	85¾	73
Can. Foundries, com.	.	....	..	...	...	...	...	8	8
Do. pref.	.	....	45	45	45	49	10	50	41½
Can. Gen. Elec. com. (par $50)	....	....	..	...	...	...	...	51	51
Do. pref. (par $50)	7	6.00	58¼	57½	58¼	58⅛	165	60	57
Can. Locomotive com.	.	....	40	40	40	40	25	42	35
Do. pref.	7	8.23	85	84½	85	87	25	89½	73
Canada Iron com.	.	....	..	...	...	...	...	10	10
Do. pref.	.	....	..	...	...	...	...	42	39
Dominion Coal	.	....	52	50	50	50	180	52	40½
Dominion Iron, pref.	.	....	15	15	15	24	6	24¾	15
Dominion Bridge	4	4.10	98	96½	97½	95	865	99½	80
Dom. Radiator pref.	7	6.89	102	101½	101½	103½	85	103½	101⅓
Dom. Steel Corp. pref.	.	....	24	24	24	24	75	25	24
Ford Motor	10	....	...	...	...	...	...	622	622
Massey-Harris, com.	.	....	52	48	48	53	209	60	40
Do. pref.	7	7.36	96	93	93	95	64	97	93
McKinnon Ind. com. (no par)	.	....	23	22	22	25	45	26½	22
Do. pref.	7	7.75	91¼	90	90¼	90	55	92	90
N.S. Steel pref.	.	....	..	...	...	...	...	25	25
Ont. Steel, com.	4	5.40	74	73½	74	73½	75	76	70
Do. pref.	7	6.86	..	...	...	...	...	102	100
Russell Motor com.	.	....	..	...	...	...	...	42	39
Do. pref.	7	8.04	87	87	87	87	5	90	82
Sawyer-Massey pref.	.	....	...	...	...	...	...	13	13
Steel of Canada com.	7	6.82	103½	101½	102	101	447	106½	95⅛
Do. pref.	7	5.93	118	118	118	118	67	118½	114
Milling and Foodstuffs—									
Atlantic Sugar com.	.	....	24¾	23¾	24	23½	1325	33⅞	22½
Do. pref.	.	....	...	...	...	...	...	88	79
B.C. Fishing	5	7.69	67¾	64⅝	64⅞	65⅛	915	75¼	57¼
Canada Bread com. (no par)		....	56	56	56	56	11	61	36
Do. pref. (A)	7	6.54	107¼	107	107	107¼	59	110	106
Do. pref. (B)	7	7.14	98½	98	98	98½	40	98½	96¼
Can. Canners com.	.	....	13¼	13¼	13¼	13	15	15	12¾
Do. pref.	1	....	64½	63¼	63½	63½	453	67¾	60
Canadian Salt	8	5.92	..	...	...	...	...	145	131
Do. rights	.	....	7	6	6½	...	24	7	6
Christie Brown com. (no par)		....	...	...	...	...	...	63½	62
Can. Bakeries com. (no par)		....	27½	27½	27½	27½	15	36	27½
Do. pref.	7	7.44	94	93½	93½	94	48	98½	93
City Dairy com. (par $25)	12	4.41	68	67	68	67	340	81	67
Do. pref.	7	6.39	110	109	109	108	23	112	107
Cuban Can. Sugar com.	.	....	4	4	4	4	25	5	3½
Do. pref.	.	....	..	...	...	...	...	28	23½
Dom. Stores com. (no par)	60c	....	57	56	56	57	111	68	56
Do. pref.	8	6.98	114⅝	114¼	114⅝	115	65	116	106
Wm. Davies (A) (no par)	....	....	32	32	32	32	65	37½	32
Inter. Milling pref.	7	6.86	102	102	102	103⅞	85	105¼	101
Lake of Woods com.	12	7.74	155	150	150	157	55	175	150
Do. pref.	7	6.00	..	...	...	...	...	117	116
Maple Leaf Mill com.	.	....	..	...	...	...	...	88	65
Do. pref.	7	7.21	97¼	95¾	97	98	126	102	95¾
Ogilvie Flour com.	5	2.82	177	176	176	176	65	200	173½
Do. pref.	7	5.69	123	123	123	123	8	125	123
Pure Gold Mfg. (no par)	50c	....	...	...	...	...	...	28½	20
Shredded Wheat	10	5.20	196	190	196	190	26	218	169½
St. Law. Flour, com.	.	....	31	30	30	35	10	45	30
Do. pref.	7	....	..	...	...	...	...	84	82
West Can. Flour	8	....	..	...	...	...	...	115½	110
Western Grocers com.	.	....	6	5	6	6	47	13¼	5
Do. pref.	.	....	53	51	51	51	4	64	49½
Utilities—									
Bell Telephone	8	5.82	138	136	137	137¼	306	141	136
Consumers Gas	10	5.71	175⅛	172½	174¾	175½	138	183¾	172½
Inte. Utilities (A) (no par)	87½c	....	..	...	...	...	...	38½	35
Do. (B) (no par)	.	....	..	...	...	...	...	9¼	7½
Cedar Rapids	3	....	..	...	...	...	...	40	40
East. Koot. Power	.	....	..	...	...	...	...	32	25
Jamaica Pub. Ser. pref.	7	7.14	98	98	98	96½	14	98½	96¼
Laurentide Power	5	4.76	105½	105½	105½	105	5	110	105
Mackay, com.	7	5.32	132	131	131½	131	98	138½	131
Do. pref.	4	5.78	69¾	69	69	69⅛	300	73½	69
Mexican Light, com.	.	....	31	30¼	31	30	30	31	29½
Do. pref.	.	....	..	...	...	...	...	64	64
Mont. L. H. & Pr. Cons.	8	3.50	230	225	228¾	227	7653	230	209
Mont. Telegraph (par $40)	8	6.40	..	...	...	...	...	51½	49
Ottawa L.H. & Pr. com.	6	6.12	98	98	98	98	305	100	97½
Do. pref.	6½	6.31	...	...	...	...	...	105¼	102
Quebec Power, com.	5	4.11	121½	121	121	120	216	125	118
Do. pref.	7	6.36	110¼	110	110¼	110¼	13	116	109½
Shawinigan	8	4.30	187½	184¾	185½	186	686	191	167½
South. Can. Pr., com.	2.00	2.22	90	89	90	90	21	90½	83
Do. pref.	6	5.94	101	100	101	100	126	101½	110
Ottawa & Hull Pr. (no par)	....	....	27	27	27	26	25	27	25
Transportation—									
Can. Pacific Rly.	10	6.44	157	154½	154½	157	72	163	147
Can. Steamships, com.	.	....	18½	16	17	13¾	4195	18½	11
Do. pref.	.	....	69	59⅛	69	60¼	13680	69	56
Do., voting	.	....	16½	16	16½	12½	415	16½	11
Tractions—									
Barcelona (par $50)	.	....	27½	26½	27½	27½	101	29	26½
Brazilian com.	5	5.47	92½	89¼	90	92	14655	98½	80
Do. pref.	6	6.00	100	100	100	101	10	102½	97½
Detroit Un. Rly.	.	....	2½	2½	2½	2½	110	3½	2½
Duluth-Superior	.	....	28½	28¼	28½	29	90	31¼	25
Illinois Trac. pref.	6	....	..	...	...	...	...	96¼	96½
Montreal Trams.	10	6.06	165	165	165	165	...	178	159
Ottawa Traction	4+1	....	..	...	...	...	5	65¾	63
Porto Rico Rlys., com.	.	....	..	...	...	...	...	47	40
Do. pref.	7	7.91	89	88	88	89	62	91	87
Quebec Rly.	.	....	..	...	...	...	...	26⅝	26⅝
Twin City com.	5	7.04	71⅛	71	71	71¼	610	79½	69¾
Do. pref.	7	....	..	...	...	...	...	103	102½
Winnipeg Elec. com.	1	....	50⅝	48¼	49¼	50	690	54⅝	46½
Do. pref.	7	7.14	98¼	98	98¼	99	45	100½	95
Textiles—									
Can. Conn. Cotton, pref.	4	....	43	42½	43	47½	33	49	42½
Can. Converters	7	7.60	92½	92	92½	92	25	94	90
Can. Cotton com.	8	6.66	120	120	120	122	10	124	120
Do. pref.	6	6.28	..	...	...	...	...	99½	95
Can. Woollens, com.	.	....	..	...	...	...	...	8	5
Do. pref.	.	....	50	50	50	50	35	50	49½
Dom. Textile com.	5	5.37	93	92½	93	92½	172	99⅛	90½
Do. pref.	7	....	...	...	...	...	...	122	119
Monarch Knitting pref.	.	....	..	...	...	...	...	50	45
Montreal Cottons, com.	6	5.79	..	...	...	...	...	106	102
Do. pref.	7	6.14	114	114	114	115	2	115	112
Penmans, com.	8	4.52	177	176	177	174½	20	190	178
Do. pref.	6	5.76	104	104	104	104	10	104½	103
Wabasso Cotton	4	6.45	62	62	62	65	49	65	63
General Industrials—									
A. Salesb'k. com (par $20)	4	6.66	60	59	60	60	53	70	59
Do. pref.	7	7.17	97½	97	97½	97	35	98	92
Asbestos Corp. com.	6	6.15	98	91	97	90¼	1065	98	89
Do. pref.	6	5.04	120	113½	120	114	708	120	109
Do. com. (new)	.	....	20¾	18	19⅞	18½	3423	24½	17¾
Do. pref. (new)	.	....	69¼	65½	68	65½	2311	70	62
Building Prod. pref.	7	8.21	..	...	...	...	...	85¼	85¼
Brant. Cord. pf. (par $25)	8	7.54	26⅞	26½	26½	27	100	27½	26
Burt F.N. com. (par $25)	12	5.35	56	54⅛	56	54	225	67	53¾
Canada Cement com.	6	5.88	105	100½	102⅝	104¾	3483	111½	100½
Do. pref.	7	6.06	116½	115½	116½	117	309	120	115½
Cons. Rubber pref.	7	....	..	...	...	...	...	86½	86½
Can. Indust. Alc. (no par)	1.28	7.31	18	17¼	17¾	17⅞	918	20	16¾
Crow's Nest Coal	6	....	..	...	...	...	...	85	51
Dom. Glass com.	7	7.33	96	95¼	96	96	100	105	85
Do. pref.	7	6.60	..	...	...	...	...	111	106
East. Theatres com. (par $25)		....	24	24	24	24	90	25¼	18¾
Do. pref.	7	7.86	..	...	...	...	...	90	83
Famous Players com.	.	....	15	15	15	15	25	18½	15
Do. pref.	8	8.79	91	90	91	91½	207	94¼	90
Kelvinator com. (no par)	.	....	17	16¾	16⅛	15½	309	17	15
Do. pref.	.	....	92¼	92	92¼	93	99	93½	92
Gilman com.	6	5.55	..	...	...	...	...	108	104½
Do. pref.	7	6.08	..	...	...	...	...	116½	113½
Goodyear Tire, pref.	7	7.34	95¼	95	96	95	51	97	93½
Holt Renfrew pref.	7	7.95	88	88	88	90	25	90	85½
King Ed. Hotel	.	....	39¾	36	39	41	28	41	25
Lyall Construction	.	....	42	41	41	42	90	46	20
Nat. Brew. com. (par $25)	4	6.61	61¼	60	60¼	61½	792	69	56
Do. pref.	7	6.54	..	...	...	...	...	110	106
National Brick com.	.	....	..	...	...	...	...	12½	12½
Do. pref.	7	....	..	...	...	...	...	72	67
Pacific Burt com.	6	6.18	..	...	...	...	...	110	90⅝
Do. pref.	7	6.73	..	...	...	...	...	110	102
Port Hope San. com.	7½	8.48	88	85⅛	86	87	55	88	74½
Do. pref.	7	7.00	..	...	...	...	...	100	99
Rogers Wm. Com.	.	....	57	57	57	59	25	67	45
Do. pref.	7	7.36	..	...	...	...	...	95⅝	90
Sherwin-Williams com.	6	4.61	131	130	130	131	55	135	127
Do. pref.	7	6.19	113	111½	113	111¼	242	114	110½
Sterling Coal	4	....	..	...	...	...	...	43	37
Tooke Bros. com.	.	....	..	...	...	...	...	8	8
Do. pref.	.	....	57	57	57	58	50	60	57
Tuckett Tobacco com.	4	6.34	63	62¼	63	63	50	65	61¾
Do. pref.	7	6.79	103	101½	103	105	42	105	101½
Woods Mfg. com.	.	....	41	41	41	41	18	44	38
Do. pref.	7	8.53	82	82	82	81⅛	10	82	77¾
Trust and Loan—									
Central Canada	12	....	..	...	...	...	...	210	210
Canada Landed (par $50)	10+1	5.78	95	95	95	95	90	100	95
Can. Permanent	12	5.75	208½	208½	208½	208⅛	2	208½	202½
Colonial Invest. (par $10)	6	....	6¼	6¼	6¼	6½	13	6½	4
Hamilton Prov.	10	6.86	..	...	...	...	...	157	157
Huron & Erie	7+½	5.68	132	132	132	131	10	132	127½
Landed Banking	9	6.00	..	...	...	...	...	150	150
Montreal Loan (par $50)	12+1	6.50	..	...	...	...	...	50	50
National Trust	12	4.89	..	...	...	...	...	245	235
Ontario Loan (par $50)	11	5.18	..	...	...	...	...	106	103½
Real Estate Loan	7	8.23	..	...	...	...	...	85	85
Toronto Gen. Trusts	12	5.38	..	...	...	...	...	225	228
Toronto Mort. (par $50)	10+1	5.78	..	...	...	...	...	95	93½
Union Trust	7	6.93	..	...	...	...	...	101	101
THE CURB MARKET									
Beacon Oil		....	17	16	16	16⅞	750	19½	14¼
Brit. Amer. Oil (par $25)	10	5.07	50	49	49½	48⅞	505	53½	47
Can. Oil com.	1¼	....	..	...	...	...	...	74	65
Do. pref.	8	....	105	105	105	102	62	105	100
Continental Oil	25c	....	..	...	...	...	...	26	21½
Dryden Power (no par)	.	....	6	6	6	6⅝	245	7¾	6
East. Engineering	.	....	.	...	...	...	...	2½	1
Good & Worts	6	3.01	....	...	...	...	...	287	193
Imperial Oil (no par)	1.00	2.91	35	33	33½	35	1618	38½	33
Inter. Petr. (no par)	75c	2.42	31½	30¾	31⅝	31	740	35½	29¼
Manitoba Power (no par)	....	....	..	...	...	...	...	42	24
Newsprint Corp.	.	....	20	20	20	23	5	27	18
North Star Oil, com. (par $5)	.	....	..	...	...	...	...	1.05	.95
Do. pref. (par $5)	7	....	4.70	4.65	4.70	4.65	1016	4.75	4.50
Simpsons, pref.	6	5.91	..	...	...	...	...	102	101
St. Maur. Valley	.	....	50	49	49	49	495	53½	45½
Toronto R. S.	.	....	..	...	...	...	...	1.40	1.10
Volcanic Oil (par $25)	62c	....	27½	27½	27½	28	155	29	27½
Attendu Eng.	.	....	9	8	9	7	185	10	8
Eng. Elec. com. (no par)	.	....	..	...	...	...	...	24½	15
Do., pref.	.	....	71	71	71	70	20	72	59½
Illinois Power, pref.	.	....	97	97	97	97	12	98½	96
North Mex. Pr. com.	.	....	..	...	...	...	...	55	47
Power Corp. (no par)	.	....	..	...	...	...	...	28¼	24¼
St. Law. Power, (no par)	.	....	..	...	...	...	...	46½	36
St. Maur. Power	.	....	78	76	76	78	8	80⅞	75
United Secs. pref.	6	5.74	104½	104½	104½	104½	27	105	103

LARGE MANUFACTURER
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143 University Ave., Toronto, Ont.

The Canadian Converters' Company, Limited

NOTICE

Notice is hereby given that a Dividend of One and Three-quarters (1¾%) Per Cent. has been declared on the Capital Stock of this Company for the quarter ending 30th April, 1926, payable 15th May, 1926, to Shareholders of record, at the close of business, 30th April, 1926.

By Order of the Board.

THOS. M. BARRINGTON,
Secretary-Treasurer.

Montreal, 13th April, 1926.

CHARTERED ACCOUNTANT
desires responsible executive position with industrial or financial company.
Box 118, Financial Post, Toronto

ARNOLD BROS.

Limited

NOTICE OF DIVIDEND
on
First Preferred
Dividend No. 2

NOTICE is hereby given that a dividend of one and three-quarters per cent. (1¾%), being at the rate of seven per cent. (7%) per annum, has been declared, payable May 1st, 1926, to shareholders of record at the close of business April 15th, 1926.

By order of the Board.

E. B. HUGHSON,
Secretary.

ARNOLD BROS.

Limited

NOTICE OF DIVIDEND
on
Second Preferred
Dividend No. 2

NOTICE is hereby given that a dividend of two per cent. (2%), being at the rate of eight per cent. (8%) per annum, has been declared, payable May 1st, 1926, to shareholders of record at the close of business April 15th, 1926.

By order of the Board.

E. B. HUGHSON,
Secretary.

CHUKUNI RED LAKE MINING ASSOCIATION

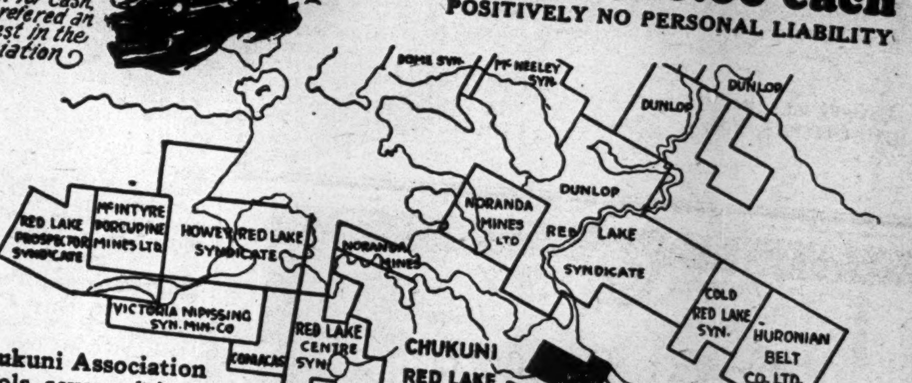
The Locaters of this Claim would not sell for Cash, they prefered an interest in the Association

CHUKUNI Red Lake is believed to be on the same "break" as the now famous Howie Red Lake, which was recently sold to Dome Mines for $500,000.00 and stock.

Chukuni Red Lake Should Prove a Rich Prospect

PUBLIC OFFERING
(Limited to 5,500 units)

Units $10.00 each
POSITIVELY NO PERSONAL LIABILITY



Chukuni Association controls seven claims, just two miles east of the Howie claims, that were personally staked by H. E. Owens, of South Porcupine, one of Ontario's outstanding prospectors.

This is your opportunity

The present offering of Chukuni units is to secure working capital which will be used to carry on vigorous development as soon as weather conditions allow.

By joining the Association today you can get in on the "Ground Floor" and participate in the big development—big money is only made by getting in early, before the value of the units starts to increase.

Don't Delay—

Units will be allotted in the order in which they are received. Offering is limited—send your order today.

E. B. deCAMPS, M.E.
Engineer in charge of development work.

JAS F. ROAF
Solicitor for the Association

Bankers
ROYAL BANK of CANADA

Reservations may be telephoned or wired at our Expense.

CAMPBELL YORSTON AND GUILD
ADelaide 6049
407 ROYAL BANK BLDG.
TORONTO, 2 CANADA

Campbell, Yorston & Guild,
407 Royal Bank Bldg.,
Toronto, 2, Canada.

Enclosed please find $..........................for which reserve me..........................units of Chukuni Red Lake Mining Association, and send full particulars.

Name..........................

Address..........................

PORT ALFRED PULP & PAPER CORPORATION

HEAD OFFICE:
INSURANCE EXCHANGE BUILDING
MONTREAL, P.Q.
Mills at PORT ALFRED, P.Q.

ROLLAND

FORTY-FOUR years' experience making high grade papers is back of every Rolland sheet. Where you see the "R" Shield Watermark you can confidently count on the highest quality too. Rolland papers live up to their name.

THE ROLLAND PAPER CO. LIMITED
High Grade Paper Makers Since 1882
MONTREAL
Mills at Mont Rolland and St. Jerome, P.Q.

The Laurentide Company
Limited

Manufacturers of
Ground Wood - Sulphite Pulp
Wood Boards and Newsprint Paper

GRAND'MERE - QUEBEC

Annual Capacity: 150,000 Tons of Groundwood Pulp. Mills at Chicoutimi and Val Jalbert, P.Q.

Quebec Pulp and Paper Mills
Limited

Executive Office:
CHICOUTIMI, P.Q.

Cable Address:
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CHICOUTIMI"

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ROYAL RECORD
a Canadian-made Paper of regal quality
worthy for every purpose
where the printed message
must reflect
the character, stability and dignity
of the user.

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HOWARD SMITH PAPER MILLS LIMITED
MONTREAL

Saguenay Pulp Company Soon to Divide Assets?

From Our Own Correspondent.

MONTREAL. — Many shareholders of the Saguenay Pulp and Power Co. are wondering when they will receive a final settlement of their claims by the distribution of the stock in the Quebec Pulp and Paper Mills.

At the present time for every ten preferred and common shares of the Saguenay Pulp and Power Co. outstanding, there is in the treasury one share of the Quebec Pulp and Paper Mills; the latter represent the entire assets of the old company.

Doubtless, a shareholders' meeting will be called shortly at which the disposition of the Quebec Pulp and Paper Mills' stock will be decided. Incidentally, many shareholders in the company are wondering just what the attitude of the preferred shareholders will be, for it is possible they will lay claim to the entire assets. Should the preferred shareholders do this, doubtless, the common shareholders would then refuse to pass a resolution winding up the company. However, the two classes of shareholders will doubtless come to some agreement; they may even share and share alike, that is, one share of the Quebec Pulp and Paper Mills for every ten shares of the old stock.

Pulp and Paper

BROMPTON GOING AHEAD WITH MILL; NO NEW FINANCING

Company in Good Liquid Position — Has Unissued 6% Bonds for Financing

From Our Own Correspondent.

MONTREAL.—The management of the Brompton Pulp and Paper Company has decided to finance the construction of its new newsprint mill at Bromptonville, P. Q., with bonds which the company holds in its treasury; therefore no financing in connection with the refunding of the present bond issues outstanding will be undertaken at present.

Work on the new mill will begin immediately; the new machine will have a width of 234 inches and a capacity of from 100 to 110 tons per day; it is to be built by Charles Walmsley and Sons. The new mill will be built beside the present groundwood mill at Bromptonville and when completed will bring Brompton's total newsprint production up to 220 tons a day.

In addition to its present output of 110 tons of newsprint daily, Brompton has 110 tons of groundwood production not utilized in the manufacture of newsprint, some 110 tons of sulphate, 30 tons of wrapping paper and 60 tons of board daily.

Has Sufficient Groundwood

The company operates mills at East Angus and Bromptonville, P.Q., and at Claremont and Groveton, New Hampshire. The Canadian mills turn out sufficient groundwood daily for the company's increased production of newsprint; the production, which is to be ultimately used by the new newsprint mill, is at present sold in the States and in Canada.

The surplus sulphite pulp from the East Angus plant goes across to Claremont, N.H., whilst some unbleached sulphite comes over from the mill at Groveton, N.H., to be used in the production of newsprint here. The bleached sulphite pulp is used for bond papers at the Groveton mill. In this way the company is in a fairly good position as the Canadian mills can use some of the raw material from the United States mills and vice versa.

At the end of 1925 the company had outstanding $3,164,600 in bonds, of four different issues. The various amounts outstanding in these issues follow:

		Authorized	Outstanding
1927	First mort. 6's	$1,000,000	$4,000
1935	Consolidated Mort. 6's	$2,000,000	817,000
1939	Gen'l. Mort. 6's	1,000,000	788,900
1941	Convert. 8's..	$3,000,000	1,554,700

Some Bonds Still Unissued

Of two of these issues, the 1935 6s and the 1941 8s, the company still holds unissued bonds in its treasury. Of the senior issue, there are $293,000 in the treasury and of the 8 per cent. issue there are still unissued $1,163,000, making a total of $1,456,000 of bonds which could be issued to finance the new development.

It seems most unlikely that Brompton would issue any more of the 1941 bonds and it seems probable that it can avoid altogether having recourse to a further issue of these high interest-bearing securities. It has nearly $300,000 of first consolidated 6s, with which to begin operations, and the 1925 balance sheet revealed a comfortable cash position, with net working capital shown as $3,670,498. There is no doubt that, since the annual report, a considerable portion of the company's liquid assets will have been turned into cash; thus, the company does not have to issue further 8 per cent. bonds and is in a position to choose its own time for the permanent new financing.

Another Paper Mill Near Lake St. John

From Our Own Correspondent.

MONTREAL.—The Leaside Engineering Co. of Toronto is to erect a pulp and paper mill with a capacity of 200 tons per day in the Lake Saint John district. Recently, the Leaside Engineering was successful in securing from the province of Quebec 1,000 square miles of timber limits and two water powers in this section of the province. Ultimately, therefore, the development will include two hydro power developments and probably a town to house some 3,000 persons.

International Paper to Buy C.R.R. Property

From Our Own Correspondent.

MONTREAL.—It is impossible to obtain information as to whether or not the International Paper Co. has consummated its negotiations with the Canadian Pacific Railway for the purchase of the Hull Electric Co. The Hull Electric operates a line between Ottawa and Aylmer, a distance of nine miles, and the purchase would include also the water power site at Deschene Falls on the Ottawa River near Hull, as well as the power development at Paugan Falls on the Gatineau River.

Whether the deal has been completed or not, there seems little doubt of its ultimate consummation for the purchase would provide the new owners with a nucleus of railway facilities to the new power plant at Chelsea, and, more important, would also considerably facilitate the International Paper Company's power developments on the Gatineau below Paugan Falls.

It is said that the paper company has an option to purchase the property for $4,750,000 and that in the meantime it is endeavoring to find a buyer for the electric railway portion of its projected purchase.

MACLEOD CO. SHIPS ABROAD

MONTREAL.—The Macleod Pulp and Paper Co., of Liverpool, N.S., which during the past few years shipped its entire production to the United States, has recently loaded several ships with groundwood pulp for the overseas market. The company has been selling pulp in both Great Britain and in France.

Quebec Pulp & Paper Receives $1,600,000

From Our Own Correspondent.

MONTREAL.—The Quebec Pulp and Paper Mills has completed the sale of the Roberval-Saguenay Railway and the dock and loading equipment at Port Alfred to the Aluminum Company of America for $1,900,000. These properties had a bonded indebtedness of $300,000; consequently, the deal has netted the Quebec Pulp and Paper Mills $1,600,000 in cash.

The Quebec Pulp and Paper Mills came into being as a result of the inability of the Chicoutimi Pulp Company and the Saguenay Pulp and Power Company to meet the interest requirements on their bonded indebtedness. All the details in connection with the actual taking over of the properties were finally completed over a month ago and thus, with the completion of the transaction with the Aluminum Company, the company starts its career in a considerably bettered liquid position than was anticipated when the two properties were first brought together well over a year ago.

It will be recalled that in the statement of assets and liabilities which was published at the time of the inception of the Quebec Pulp and Paper Mills, current liabilities were fractionally larger than current assets. At that time, bank loans amounted to $1,221,994. The new company sold the railway and the dock at Port Alfred for cash and consequently the bank loan of the Quebec Pulp and Paper Mills has been wiped out by this transaction and its liquid position materially bettered. Thus the company begins its career in good financial shape.

INTERNATIONAL NET SHOWN AT $1,571,281

The Company's Total Assets Now Amount to Close to $150,000,000

MONTREAL.—The annual report of the International Paper for 1925 shows a net income of $1,571,281 available for common stock dividends, after depreciation, interest, taxes, preferred dividends and reduction of contingency reserve.

The total revenue for the year amounted to $8,212,383, from which was deducted depreciation of $3,404,519, interest of $2,195,969, taxes of $61,593 and contingency reserve of $1,000,000. Dividends of $1,979,019 were paid on the preferred stock.

Total assets at the end of the year amounted to $148,585,001. The total cash, accounts receivable, notes receivable and inventories amounted to $33,044,391, which compares with current liabilities, including accounts and notes payable, of $10,769,998.

In his remarks to the shareholders, the president, Archibald R. Graustein, said:

"Total production of paper during 19295 aggregated 503,702 tons, as against 434,288 in 1924. The increase is due in part to acquisition of the Ticonderoga, N. Y., and the Bastrop, La., mills. The price of newsprint was reduced to $70 a ton on January 1, 1925, remaining at that price during the year. On January 1 of this year it was further reduced to the present figure of $65 per ton.

"The acquisition of the Riordon properties was successfullly consummated during the year, and the results to date of their operation have equalled expectations. The Bastrop sulphate pulp and paper mill was acquired in July, 1925, and has proved a profitable investment. Although operating on purchased wood, the company has now secured an option on a tract of woodland, which, if present anticipations turn out satisfactorily, will assure the mill of a permanent supply of raw material from its own lands.

"The company has also acquired approximately 376 square miles of crown timber limits on the Gaspe peninsula and 2,000 square miles on the Upper Ottawa and Gatineau Rivers, in Quebec. The latter will permit the enlargement of both the Kipawa and Gatineau mills, and will reinforce the available supply for the new newsprint mill which the company contemplates building on the Quinze (Upper Ottawa) River, some time during the next four years."

The Kipawa bleached sulphite mill is now producing 50 per cent. of all this material used in the world for the manufacture of rayon, or artificial silk.

U.S. CHEMICAL PULP IMPORTS STILL GROW

Price of Canadian Exports of Chemical Pulp Also Up

From Our Own Correspondent.

MONTREAL.—The U. S. foreign trade reports for the month of February, 1926, show continued improvement in the market for Canadian chemical pulp and, of course, show the tremendous increase in Canadian exports of newsprint to that country; imports of newsprint from Canada during February, 1926, amount to 241,036,474 pounds being an increase of practically 39,000,000 pounds over the corresponding month of 1925.

The total sulphite imports of the United States moved down from 72,534 tons in February, 1925, to 61,096 tons in 1926, but during the month the imports of sulphite pulp from Canada increased from 28,289 tons to 32,095 tons. It is of importance also that the average price of these imports during February, 1926, were $69 a ton as compared with $66 a year ago.

Unlike sulphite pulp, the U. S. imports of sulphate increased from 20,206 tons in 1925 to 27,295 tons in 1926; naturally, the Canadian exports of this commodity moved upwards also from 11,360 tons to 13,275 tons. It is gratifying to note too, that prices during the month stood at $66 per ton, as compared with $62 last year.

N. S. TRAMS PRESIDENT

MONTREAL. — At a meeting of the board of directors of the Nova Scotia Tramways and Power Co. in Halifax, N.S., W. H. Covert was elected president succeeding L. Killam, who has resigned.

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Public Utilities

SHAWINIGAN PLANS PORTEND BENEFITS TO SHAREHOLDERS

Duke-Price Deal Will Increase Power Supply by About 20%

From Our Own Correspondent.

MONTREAL. — The Shawinigan Water and Power Company is to purchase 100,000 horse-power from the Duke-Price Power with which to meet the increasing requirements of the large industrial growth in Eastern Quebec. It is understood that preliminary arrangements for the installation of transmission lines between the Saguenay and the city of Quebec have been made. The power thus obtained will probably be partly distributed by the Quebec Power, the Shawinigan subsidiary, and partly by the parent company. The Anglo Canadian Pulp and Paper Mills, which is to be erected on the Saint Charles River, and the projected Saint Regis Paper mill at Cap Rouge will in all probability be large purchasers of the additional power supply. Again, negotiations are under way leading to the locating of several other industries in this district and there seems little doubt that the additional supply will be quickly absorbed.

Part Owner of Duke-Price?

It is still understood that the Shawinigan Water and Power Company has come to some partnership agreement with the Duke-Price interests and it is thought that more power will be available in future as that project is developed to its full capacity.

Such a transaction is of importance to all Shawinigan shareholders for it means that the total horsepower which the company has available for wholesaling will be increased by approximately 20 per cent. At the present time Shawinigan develops 260,000 horse power at Shawinigan Falls and purchases about 130,000 horse power from the St. Maurice Power Company. From the Laurentide plant and the smaller water power subsidiaries, there is available around 150,000 horse power, making in all something over 500,000 horsepower which is to be further augmented by 100,000 h.p. from the Duke-Price development.

An Assured Demand

Such a large increase, coupled with a practically assured outlet for the supply, must mean much in the way of increased earnings; the shareholders last year witnessed in the company's profit and loss account the results of the steady expansion in the past.

Shawinigan's policy has always been one of having power available and ready to supply new industries which locate in its territory; again, the company has made a practice of finding outlets for its power such as its two subsidiaries, the Canada Carbide Company and the Canadian Electro Products Company. It is practically only recently that the company has received the benefit from foundations such as this laid some years ago—there is therefore every reason for believing that the consummation of the present negotiations with Duke-Price should eventually have a very marked effect upon earnings.

Developments Predicted for Manitoba Power Co.

WINNIPEG.—Speaking very optimistically of the future, President A. W. McLimont, of the Manitoba Power Co., presented the report for the 12 months ended Dec. 31, 1925, to the general meeting of shareholders held recently. Gross earnings for the year amounted to $666,053, a decrease of $5,052, from 1924. After addition of $1,087 miscellaneous income, total gross income for the year under review was $548,687, which, after deduction of interest on funded debt, $525,000, and charges on unfounded debt, $13,824, and net taxes, $7,099, left a net income of $27,762, compared with $11,650 a year ago.

Mr. McLimont pointed out that a valuable contract had been signed during the year with the Manitoba Pulp and Paper Co., which, together with the attention being paid to the mineral resources of the province adjacent to Great Falls, where the company's plant is located, should react to the benefit of shareholders.

During the year arrangements were made for the redemption of the company's $7,500,000 outstanding seven per cent. bonds, to be replaced by an issue of $10,000,000 5½ per cent. bonds, which would provide funds for necessary extensions to plant and equipment and increase the fixed charges of the company by only $25,000 per annum.

Public Utility Earnings

BRAZILIAN TRACTION

Feb., 1926—	1926	1925	Incr.
Gross Earn.	$2,893,557	$2,207,359	$ 686,198
Oper. Exp.	1,214,770	923,017	291,753
Net Earn.	1,678,787	1,284,342	394,445
Aggr. Gross from Jan. 1st	6,057,227	4,701,553	1,355,674
Aggr. Net from Jan. 1st	3,471,075	2,777,835	693,240

JAMAICA PUBLIC SERVICE COMPANY.

February—	1926	1925
Gross Earn.	$51,182	$48,072
Net Earn.	18,589	15,116
Surp. after charges	12,319	8,312
12 Months Ending February 28—	1926	1925
Gross Earn.	$630,952	$586,585
Net Earn.	240,658	193,057
Surp. After Charges	162,587	114,108

CAPE BRETON ELECTRIC

January—	1926	1925	Incr.
Gross. Earn.	$55,105	$56,742	x$1,637
Oper. Exp. & Taxes	44,039	46,203	2,164
Net Earn.	$11,066	$10,539	$527
Int. Charges	5,709	5,951	242
Bal. for Res., Retire. and Div.	$ 5,356	$ 4,587	$ 769
12 Months end. Jan. 31,	1926	1925	Incr.
Gross Earn.	$566,276	$653,362	x$87,085
Oper. Exp. and Taxes	472,909	534,025	61,115
Net Earn.	$93,367	$119,337	$25,969
Int. charges	68,831	68,397	433
Bal. for res., retire. and div.	$24,536	$50,939	x$26,402

xDecrease.

Hamilton Street Railway Agreement Goes to Vote

HAMILTON.—Citizens of Hamilton will vote on the new street railway franchise agreement on May 3. Briefly summarized, the new agreement calls for the abolition of the 8 per cent. split of gross receipts which the city received and mileage charges, and retention of the five-cent fare until June 30, 1928. The company will undertake within three years to spend over $1,000,000 on the rehabilitation of the service and tracks on King Street, East.

Jitney opposition will be withdrawn, as the company has agreed to running rights for jitneys for two years without the issuance of new licenses by the police commission.

Buses will also be introduced, but the fare on those will be 10 cents, or three tickets for 25c., with the exception of districts where the buses are used as an auxiliary to the street cars.

B.C. ELECTRIC MAKES RECORD IN STOCK CAMPAIGN

Shares Sold to Over 10,000 Customers and Employees

VANCOUVER. — What probably stands as a record in the movement for customer ownership of public utilities has been established by the recent campaign of the British Columbia Electric Power & Gas Company. Through the co-operation of enthusiastic employees the company offered to the public $750,000 worth of shares and received applications for $5,655,900 in five and a half days. In addition bond dealers in Vancouver and in Victoria sold $1,500,000 of the same issue making a total of $7,155,400 in subscriptions. In view of the flood of applications the company increased the total offering from $2,250,000 to $5,000,000 which represents the entire authorized issue.

What this means in the distribution of ownership among the company's customers and the general public is indicated by the fact that 10,245 applications were made as the result of the company's campaign in addition to the applications received through the bond dealers.

The interest of the employees was not only indicated in the energy with which the campaign was carried out but in the further fact that 1,410 of these employees, or 47 per cent. of those on the permanent pay rolls took up shares themselves.

Speaking of the success of the whole undertaking an official of the company brings out the following points:

The original offering made through employees of $750,000 was almost completely applied for the first day, namely, March 15. On the third day we received applications for no less than $1,400,000 worth of shares. Even after the lists were closed on Saturday, March 20, applications continued to flock in by mail from people beseeching us to sell them shares. Our regret is that in spite of the fact that we have increased the offering to the limit of $5,000,000, we have still found it necessary to cut down the larger applications, no one receiving more than ten shares. Applications were limited to fifty shares each and to residents of British Columbia.

We had intended to begin our sale on March 20, and no publicity was given to the shares whatever. In spite of this the public demand was so great that we were forced to release application forms on March 15. Advertising could only be pushed ahead about two days, becoming effective on the third day of the sale. In spite of this the entire original offering was oversubscribed practically before the advertising had had any effect.

The success of this stock campaign and the number and size of the applications received is taken as a significant indicator of the available wealth for investment purposes and the general state of prosperity prevailing on Canada's Pacific Coast.

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JAMAICA PUBLIC SERVICE CO. HAS EXCELLENT YEAR

Net Earnings Show Even Bigger Gain Than Gross—Operating Ratio Down

MONTREAL.—The annual report of the Jamaica Public Service Company for the year ending December 31, 1925, shows the anticipated improved gross and net earnings and a very decided betterment in the ratio of operating expenses to gross earnings which last year stood at 64 per cent. and this year was reduced to 58 per cent.

Gross earnings were up $46,219 and amounted to $625,275; coupled with this increase, the operating expenses fell off slightly which made an even larger increase of $49,463 in the net earnings for the year.

After deducting operating and interest charges there remained $156,935 applicable to the $45,000 dividend requirements on the $100 par value preference shares.

After deducting the dividends on the junior and senior preferred stock issues, the company was able to appropriate for retirement reserve $35,000 as compared with $25,000 in 1924. In addition, there was deducted from profit and loss accounts $50,339 which was used in rehabilitating the portions of the company's properties which were damaged during the large flood of December, 1924; this expenditure completed the necessary repairs and to-day the plants are in better shape than ever before.

The balance sheet shows that the liquid position has undergone a considerable betterment during the year; current assets now stand at $237,551 with current liabilities of only $50,466. Property account shows an increase of $174,439 and cash account now stands at $87,370, an increase of $11,177.

During the year the outstanding preference shares have been increased by $200,000 and a new issue of preference "B" shares has been created; of the latter there are now outstanding $79,312. These "B" preference shares were sold to the company's customers. Notes payable, which last year stood at $125,000, have been completely wiped out. The retirement and operating reserves plus the credit of profit and loss account have been increased by approximately $36,000.

The comparative profit and loss figures over the past two years follow:

Gross Earnings—	1925	1924
Tramway Department	$387,763	$368,145
Light and power dept.	235,618	207,950
Non-Operating	1,894	2,959
Total	$625,275	$579,055
Operating expenses and taxes—		
Operation	$283,432	$302,446
Maintenance	80,188	66,093
Taxes	25,541	23,865
Total Operating Exp. and Taxes	$389,161	$392,404
Net Earnings	$236,114	$186,651
Interest Charges	79,179	76,997
	$156,935	$109,653
Div. on Pref. Shares	45,500	38,500
Div. on Pref. "B" Shs.	3,761	....
	$107,674	$ 71,153
Net Direct Debits to Profit and Loss	50,340	11,760
Appr. for Retirement Res.	35,000	25,000
Balance	$ 22,334	$ 34,393
Prior Surplus	61,423	27,030
Surp. at end of year	$ 83,757	$ 61,423
Ratio of Oper. Exp. to Gross Earn.	58.1%	64.0%

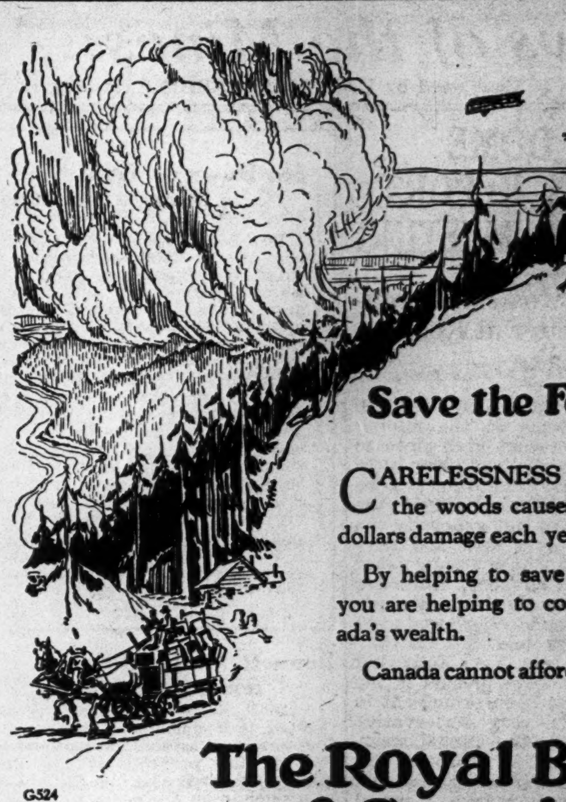
In his report to the shareholders, the president, Russell D. Bell, says in part:

"In the two and one-half years since your company took over the property, gross earnings have increased 20.6 per cent. and net 33.6 per cent. Since the original financing all subsequent additions to property have been made through the medium of earnings reinvested in plant or the sale of stock. In this way the company's borrowing power has been conserved, its credit further enhanced and substantial equities added to those already existing junior to the company's bonded debt and the preference shareholders' investment.

"In that time the company's steam power generating capacity has been doubled and the necessary plant for redoubling the present capacity is now being installed. The net earnings from the electric light and power department are in excess of those accruing from tramways department, and are developing steadily in an upward direction.

"Exclusive of sterling stock held in Jamaica, there are now 514 shareholders, of whom 471 are in Canada.

"During the year a treaty between Canada and the British West Indies was arranged, under which both parties will work for increased commerce through mutual tariff preferences. This treaty has been ratified by Jamaica, and may have a great influence upon the development of that country, as well as contributing to Canada's welfare. It is to be hoped that the Canadian parliament will rapidly ratify this treaty which its ministers initiated and carried through."



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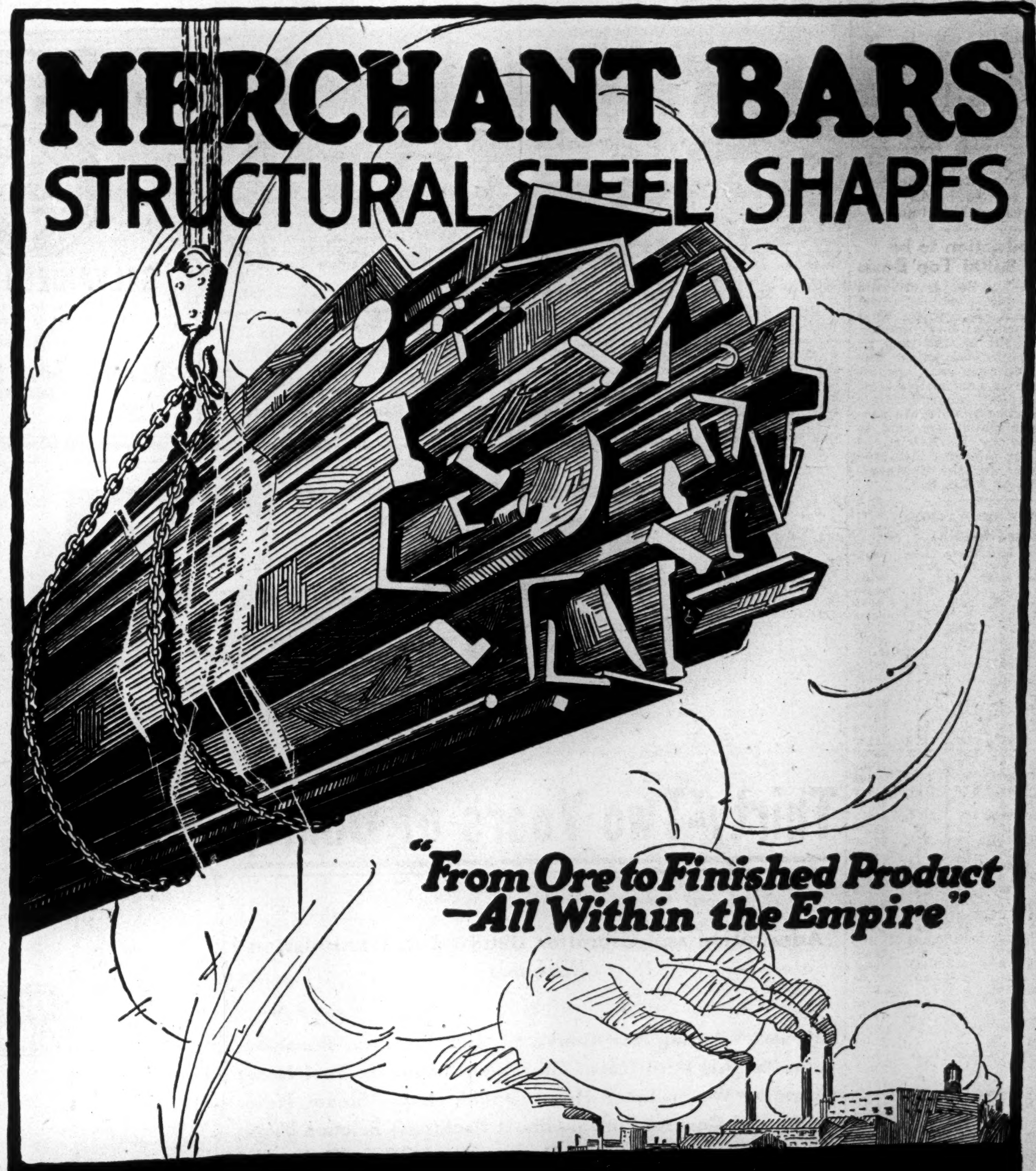

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News of the Mines: A Department for Executives and Investors

Conducted by DANIEL E. CUSHING, Mining Editor, The Financial Post.

BREAK IN DOME FOLLOWS REPORT ANNUAL MEETING

Outlook Not Good in Porcupine—Better at Red Lake

The slump in Dome has been the feature of the week in the mining market. From a recent high close to $20 the price has declined sharply to below $14. Some of the other stocks have declined as the result of the sentiment developed but generally the market has held very well and Noranda has stood out as a strong point with a substantial advance. Hollinger and McIntyre have shown no disposition to weaken and other producers have held their ground.

Dome's strong New York following influenced by the developments in the market there, have been prominent in the selling and the very conservative statements made at the annual meeting on Wednesday in Toronto undoubtedly had the effect of causing many stockholders to realize. General Manager DePencier told the meeting frankly that the Porcupine property was not producing up to hopes; ore was being depleted faster than it was being found; profits per ton were decreasing. He intimated also that the mill was too large for the mine under these conditions.

In regard to Red Lake he was more encouraging. The Bowey property had splendid prospects. Good values in gold have been found over a length of approximately 930 feet and over a width of approximately 60 feet.

President Bache was asked if, in view of the situation the dividend would be cut. Mr. Bache replied that according to the present by-laws of Dome, as he understood them, the dividend assurance fund had to be used up before the dividend itself could be cut. He did not think a cut would have to come for at least twelve months.

"The time may come," said Mr. Bache, "when the directors will be faced with deciding whether to appropriate some of the dividend reserve fund for the purchase of other properties. What we will then do I am not lawyer enough to say, but the shareholders will be consulted. I am optimist enough to think that ore will still be found on the Porcupine property. I am frankly disappointed at the results in 1925."

Mr. Bache pointed out in reply to further questions that Dome still has $1,000,000 in the dividend reserve fund, half of which might have to be appropriated for Red Lake if the latter property were slow in paying, but still too good to drop. "We have not enough in our Dome treasury," he said, "to pay the $1,500,000,required to go through with the Red Lake deal unless Red Lake brings us in some money within a reasonable time."

Hollinger's Production to be Put on 8,000 Ton Basis

PORT ARTHUR.—The Beardmore gold mining field, 130 miles east of Port Arthur on the C. N. R., which first stepped into the limelight last summer, is gradually being put on the map by the entrance of mining companies. The latest arrival is Hollinger, who are reported to have taken up nine claims from Fred Spooner, paying approximately $9,000 a claim. In addition to these purchases by Hollinger claims are said to have been acquired by R. Hewitt, of Vancouver, B. C., for $15,000 understood to have been bought for the Engineering and Mining Co., of Atlin, B. C.

MINING STOCK QUOTATIONS

Week Ending April 13

	High for week	Low for week	Close Apr. 13	Close Apr. 6	Sales for week
Amulet	1.20	1.05	1.08	1.20	64950
Apex	3¾	3¾	3¾	3¾	6000
Area	28½	27	27	27	9900
Argo. Cons.	21	29	30¾	28¾	71710
Atlas	3½	3	3	3	15000
Baldwin	2½	2	2	2¼	65450
Barry Hol.	40	39	39¼	39¼	60100
Beaver	83½	70	75	71	120150
Bidgood	6½	6½	6½	6	750
Chaput H.	16¾	13	13	15	36400
Buckingham	3¼	3¼	3¼	3	17500
Can. Lorrain.	90	79	85½	78	88750
Capitol	42	37½	40	42½	88200
Castle Tre.	1.63	1.55	1.56	1.62	43950
Clifton	3	2	2½	2½	2600
Coniagas	4.05	4.00	4.00	4.05	300
Coniarum	3.50	3.50	3.50	3.50	410
Col. Kirkland.	5	4	4⅝	5	46700
Cons. Smelters	214⅛	205⅛	209	210¾	22967
Cons. W. Dome	21	19	20	19	123200
Cr. Res.	17¼	15¼	16	16¼	84250
Duprat	15	15	15	14	500
Dome Mines	16.50	14.40	14.55	16.30	11795
Everett	9¼	8	8	9½	57800
Gold Hill	30	25	30	27	6150
Goldale	30½	28	28	30	20800
Gold Reef	2¾	2½	2½	2¾	5200
Don Rouyn	37	35	36	35	10000
Hollinger	18.50	18.10	18.30	18.00	2140
Kirk-Hunton	29	26	28	29	26150
Indian	10½	8	9	11	24800
Laval, Que.	30	28	29¾	29	47000
Int. Nic. com.	36¾	34¼	34¾	36⅛	6055
Keeley	1.66	1.59	1.64	1.63	45450
Keora	12	10½	10½	11¼	46500
Kirk. Lake	1.30	.99	1.15	.99	189995
Lakeside	2¼	1¾	2	2¼	22500
Lake Shore	10.45	10.05	10.25	10.35	6255
La Rose	17½	16	16	16	47510
Lorrain	7	6	6¼	6¼	44600
McKinley	17½	16½	16½	17½	16900
McIntyre	25.15	24.15	25.00	24.20	6177
Millcrest	18	16	17	17½	32200
Mont. Rouyn.	34	34	34	34½	500
Mining Corp.	3.75	3.57	3.60	3.60	15689
Moneta	12	12	12	15	500
Newray	39	33	38	35¼	6325
Nipissing	6.07	5.95	6.00	6.20	2565
Night Hawk.	6	5½	6½	6¾	14000
Rouyn	4⅞	4½	4½	4¼	18500
Pet. Lake	3	2¾	3	2½	6000
Porc. Crown	9½	5	9½	6½	27075
Premier Gold.	2.25	2.17	2.25	2.20	3750
Preston	6	6	6	7	10000
Teck Hughes.	3.45	3.20	3.26	3.18	260860
Thomp. Kr.	2½	2	2	3	10000
Timiskaming	13¼	13	13	13	3000
Tough Oakes	48	41½	42	48	100150
Vickers	45	40	45	45	8200
Vic. Silver	8	7	7	7½	20000
Vipond Cons.	1.72	1.60	1.70	1.60	88774
Wakenda	2	2	2	2	100
Wasapika	2½	2	2½	3	600
West Tree	2⅞	2¾	2¾	2¾	8500
Wettlaufer	5¼	5	5	4½	5000
Wright Har.	8.25	7.90	7.90	7.90	4530
Noranda Rts.	53	29¼	53	35	83644
Noranda	15.75	13.20	15.65	13.75	56789
Bourlamaque	9.50	9.40	9.40	9.50	8655
Rouyn, Que.	3	2¾	3	3½	3700
Wigwam	20	15	20	11	19400

Sat Down on Gold Mine to Eat Lunch

PORT ARTHUR.—Phil Silams, one of the first prospectors to enter the Beardmore gold area which experienced a mild rush of prospectors last summer, has disposed of "Discovery" claim to an eastern syndicate. The property is under option to the syndicate on a basis of $50,000, $5,000 cash and a 5 per cent. interest in development. "Discovery" claim is not more than 200 yards from the main line of the Canadian National Railway, and was found purely by accident on June 26 last. Silams and his partner wandered off their trail, and it was while taking lunch that they picked out samples of gold quartz, which were later assayed as high as $660 to the ton in gold.

Bennett Mining Reports Some Satisfactory Finds

What is decided as a very important find has been made at a depth of thirty feet on the property of the Bennett Mining Co., at Seskinika, Ont. A blind vein came in on the north wall and went out on the south wall at 110 feet. This vein averages in width over 10 feet and is very highly mineralized throughout. A station is now being cut at the 125 foot depth and a drift will be run to cross cut this vein on that level. This vein did not show on the surface. The main vein which shows on the surface, and averages over 11 feet, carrying good values, runs across the property at a distance of about 20 feet north of the shaft and it is expected that the shaft will encounter this vein at a depth of about 150 feet.

A shaft is being sunk to a depth of 500 feet and on the strength of rich ore encountered the company has decided to complete its plant in all details. Power and other equipment are being installed. The plant is being built on a scale to enable the sinking of the shaft to 1,500 feet if necessary. The company's finances are reported to be in healthy condition with over $100,000 in the treasury and over 600,000 shares of unissued stock.

Hollinger Taking an Interest in Beardmore

TIMMINS.—Hollinger is now nearly ready to settle down into the new gear of production which a few months from now will put the mine on an 8,000-ton per day basis. Plans are now completed for mining at 3,000 feet. At this depth the management have stated a secondary hoisting equipment will allow Hollinger to continue sinking to the depth required. At present it is understood they will carry their three shafts through to the 3,000-foot level, and this can be repeated as developments make it necessary.

In the following table an estimate is made of what Hollinger may be expected to do by way of production earnings and dividends, when mill treatment rises to 8,000 tons, and with millheads reduced to, say, $7.50 per ton:

	1925	Future estimate
Ore milled, tons	1,929,998	2,920,000
Recovery	15,786,405	22,000,000
Ore, per ton	$8.18	$7.50
Ore daily, tons	5,317	8,000
Net profits	$8,300,227	$12,000,000
Dividends, per cent.	20.8	40.9
Dividends, amount	4,378,000	9,840,000

C. P. R. NOT READY TO BUILD

MONTREAL.—The Canadian Pacific Railway has no immediate intention of extending its Gatineau line from Maniwaki to Rouyn to serve the goldfields there as rumored in Ottawa, it was learned at the offices of the company here to-day. While the company has a bill before the house in which it seeks authorization to construct such a line, this is said to be merely preparatory.

COMPANY DENIES STOCK MANIPULATION

Statement Issued by President Charles Stewart of the Columbus Kirkland Co.

In a printed statement issued to shareholders of Columbus Kirkland Gold Mining Co., President Charles Stewart reviews some of the stock market happenings of the past six weeks.

"In order that you may fully understand, I must tell you that recent publicity carrying criticisms apparently directed against the company, resulted in the resignation of Major J. C. Murton, president; E. D. Manning, vice-president; P. E. F. Smiley and Shirley Lewis, directors. These resignations were tendered in order to place your company in the hands of practical mining men. The retiring directors are replaced by Chas. Stewart, P. H. Cambell, W. J. Gibson and D. G. Jones.

"The financial plan which was approved at shareholders' meeting on February 9, has been abandoned, as it was found impracticable. Other arrangements have been made that will insure ample funds with which to carry out an extensive working plan beginning as soon as surface conditions permit. Further details as to exact work will be given within the next few weeks, as concrete plans cannot be carried on until general survey is made.

"While I feel it is not in my province to discuss stock market fluctuations of Columbus Kirkland, I think I owe it to you to review the recent market action of this stock. My purpose in doing so is to make it clear that your company had absolutely nothing to do with it and was not a seller, as has been inferred.

"The advance in the price of the stock was due to buying orders that came from all over the country. On the appearance of the publicity referred to above, the buying of Columbus ceased and as a natural consequence the price declined.

"As a result of this market movement your company added about 300 shareholders. This is very beneficial to every stockholder, and now that the company is in a position to proceed in a constructive manner you are justified in looking forward to an encouraging future."

Stock of Harricana Mine Is Now Being Offered

Shares in the Harricana Gold Mines, Ltd., with properties situated in the districts of Dubuisson and Bourlamaque, County Abitibi, Province of Quebec, are being offered by the Harricana Financing Syndicate, Reg'd., of Quebec City. A part of the capital of $3,000,000 is now being offered with the idea of procuring necessary funds to pay for the exploration work and diamond drilling of ore quartz found on the properties referred to. The properties are said to form an important part of the mining zone starting in Ontario, crossing Quebec through the famous regions of Rouyn and Dubuisson and spreading to the Bell River, east limit of Abitibi. Services of experts have already been secured and work will be started as soon as navigation opens and conditions permit.

The board of directors has on it prominent business men of Quebec including Dr. V. Martin, mayor of the city, Olivier Drouin, superintendent of the Rock City Tobacco Co., Lieut.-Col. Henri Gagnon, managing director of Le Soleil and others.

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McIntyre Net Earnings Still Showing Increase

McIntyre's earnings for the first quarter of 1926 show an increase before plant depreciation of $26,241 over the quarter ending December 31, 1925, and of $71,226 over the quarter ending Sept. 30, 1925.

Comparative figures for the nine months ending March 31, as given out recently, are as follows:

	1st Quarter Sept. 30, 1925	2nd Quarter Dec. 31, 1925	3rd Quarter Mar. 31, 1926
Gross recovery	$886,117	$946,688	$972,399
Costs	518,793	539,178	537,812
Oper. earn.	$367,324	$407,510	$434,587
Non-oper. rev.	24,040	24,972	27,853
	$391,364	$432,482	$462,441
Less: taxes	18,754	14,887	18,604
Net before deprec.	$372,610	$417,595	$443,836

Lardeau District in B.C. Faces Development Period

VANCOUVER.—Much attention will be directed to the Lardeau district during the coming season. A number of exploration parties will begin work on properties that have been taken over for examination. All these properties have excellent showings and have been proved to the stage where they have attracted large capital. The Victoria Syndicate, British capital, will examine groups totalling about sixty claims, and if results are satisfactory, the taking over of these properties will give an impetus to activity in the Lardeau. In addition, several properties are being developed with encouraging results, such as the Mohican, by Vancouver people; True Fissure, Cincinnati capital, with Dave Morgan in charge; property on Wigwam creek, which Tacoma men are working, W. T. Dumbleton being their representative; Dunvegan group, near Revelstoke, by Vancouver capital; Woolsey group at Albert Canyon, by Vancouver and Portland men, and also at the Cromwell and Gold Bug.

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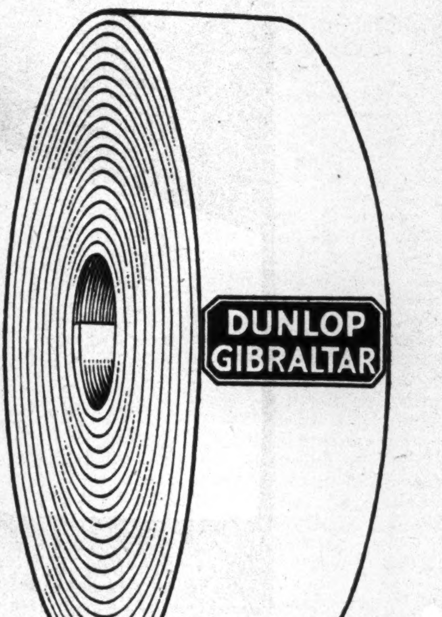

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News of the Mines

WATSON VALUES ORE OF FLIN FLON AT $192,000,000

Says 90 Per Cent. of Total Will be Spent on Getting Gold

WINNIPEG. — Development of the Flin Flon mines by the Mining Corporation of Canada is a proof of faith in the potentialities of the surrounding district, according to J. B. Watson, president of the company and R. E. Phelan, head engineer.

While there is a gross value of approximately $192,000,000 in the 16,000,000 tons of ore in the mine, Mr. Watson pointed out that almost 90 per cent. of this amount would be consumed in working costs, wages, supplies, etc. The erection of a large commercial plant and the necessary hydro electric plant to successfully operate it will cost close to $12,000,000, he said, and to this must be added an approximate sum of $90,000,000 for wages to the 2,000 men who would work the mines. Added to this, again, is a considerable sum for the erection of a small plant whose buildings would precede that of the larger one, and about $45,000,000 for other expenses, such as the supplying of cement, limestone, coal and coke, the greater part of which would be spent in Canada, mostly in the area directly about the seat of operations.

Mr. Watson stated that it is in the surrounding developments which will come later that the worth of the plan is really seen. Whereas the initial expense of a smelter plant such as is planned is large, it is a comparatively small matter to add to the plant so as to take care of as much as three or four times the original consumption. Mr. Watson believes that development about the Flin Flon territory shows great promise, and that the railroad into the territory which is contemplated will greatly facilitate the discovering of new ore-bearing areas.

New Premier Discovery Is of Great Importance

VANCOUVER.—The new high-grade ore body recently discovered on the upper or first level of the Premier mine bids fair to equal, if not outrival, the original ore body on this level, which produced such spectacular results in the early history of the property, according to General Manager Dale L. Pitt. The ore was first located by diamond drills, and now bonanza ore, so familiar to the old-timers of the camp, is being shipped. The new find is in the northwest part of the Premier and is pitching towards the territory of the B. B. Silver Mines, making the third or fourth which dip from the Premier into the B. C. ground. This suggests brilliant prospects for the latter property. Premier Mines is now milling and concentrating between 400 and 500 tons of low grade ore daily, besides shipping some 300 tons or high grade to the smelters.

Slocan District as a Producer of Silver-lead

OTTAWA.—Since the early years of discovery some 270 properties in the Slocan mining district have, according to Dr. C. E. Cairnes of the Geological Survey of Canada, shipped ore at one time or another. Of these a maximum of 63 were actively producing in 1918, of which 27 shipped over 100 tons each. The period of greatest production is represented by the years 1912 to 1919, inclusive, when the annual average production of silver-lead and zinc ores reached an estimated value of about $3,339,000. The ten years from 1915 to 1924 inclusive saw an aggregate production of 1,238,388 tons valued at about $26,152,000. In 1924 shipments were made from 40 properties, of which 16 shipped over 100 tons. A total of 73,533 tons mined during this year had an estimated value of $1,481,719 represented by $662,331 for silver, $501,563 for lead, $309,784 for zinc, and $8,041 for gold content.

Encouraging Report at Chaput-Hughes Meeting

The very advantageous contract which was entered into by the Chaput-Hughes Mines, Ltd., about a year ago with the Kirkland Lake Mining Company for the development of the former's property appears at length to be bearing fruit. At the annual meeting of the Chaput-Hughes, a very encouraging report was presented by the managing director, J. B. Tyrrell. Under the contract mentioned Kirkland Lake undertook to run a cross-cut from its underground workings to the boundary of Chaput-Hughes, and thence across the last-named property. This work has now been virtually completed and will be entirely accomplished within the next few days.

Mr. Tyrrell pointed out that three fractures had been encountered on the Chaput-Hughes property, one of which looked especially encouraging. As soon as the cross-cut was completed it was the intention of the management to begin drifting along the fracture.

Kirkland Rand Will Sell Treasury Stock

MONTREAL.—W. H. Empey, president of Kirkland Rand, Limited, has written a leter to the shareholders of the Montreal Ontario Mines, Limited, and of the Kirkland Rand, Limited, advising them that the directors have decided to sell a block of treasury stock for the purpose of raising $180,000 which Mr. Empey says is about the amount needed to rebuild the mill destroyed by fire last November, and complete the company's program of development. The mill, Mr. Empey states, was covered by insurance to the extent of $60,125, which amount has been received in cash.

Manitoba Northern Bonds Guaranteed

Manitoba is making preparations for large scale developments in the northern mining areas. Bills guranteeing the bonds of the Manitoba northern mining areas. Bills guaranthe Flin Flon mining area, and of a railway through the gold fields of central Manitoba to the eastern border of the province, have been presented to the legislature.

In connection with the Manitoba Northern Railway the bill makes provision for the guarantee of bonds to a total of $3,500,000 on adequate security. In the case of the other road, that through the central gold mining area of the province, provision is made for the guarantee of aid to "a railway" through this area, although two railway companies, the Winnipeg River Railway and the Central Manitoba Railway have both made application for charters to construct a road through the section. The aid is to be given to the extent of $25,000 per mile and is based on the fullest security.

SERIOUS SLUMP FOLLOWS BOOM IN OIL STOCKS

(Continued from page 1)

presentation of a true picture of the large industry that has been set up in Turner Valley by the Royalite four well. There it roars, wasting more gas than most wells in Canada or the United States produce, yet supplying Calgary with eleven million feet, running a large plant which includes twelve gas engines of eighty horsepower, each producing better than five hundred barrels of almost pure gasoline daily, while the amount burned amidst a terrific deafening roar is equal to the Calgary consumption.

One More Well Needed

There are several wells with quite a heavy gas production going to waste and there are a number drilling. One engineer estimated that by the end of the present summer there will be fifty million feet of gas turned loose. What will be done with this tremendous energy? Will it be harnessed to develop electric power or will it be piped to the coast, if that is feasible? It is a problem.

Briefly the Turner Valley is a testing point. I believe drillers are as worried as stock gamblers. If one of the promising wells does not come in within the next week or so, many will have serious financial troubles. If one of the wells does come in, the lid will be off. One fact stands out—the bulk of promising operations are in good hands, men who are sincerely concerned with producing oil, not stock jobbing, so that in the majority of cases, oil or no oil, shareholders will have had a good run for their money and the field a real testing. One more well will practically prove the field.

Ticker Service for Montreal Exchange

From Our Own Correspondent.

MONTREAL.—The Montreal Mining Exchange has decided to establish a ticker service, which will be sold to the members. It will include the Standard Mining Exchange quotations from Toronto, as well as the local prices. Arrangements are under way to have an early commencement made of this new undertaking.

Mining Corporation

E. B., Bridgeport.—What is your opinion of Mining Corporation?

We look upon Mining Corporation as having great speculative possibilities for a hold over a period of say two years. In the meantime the stock is netting you a favorable return and the earnings of the company from its silver properties are sufficient to insure that dividends will be continued.

Profit Suggestions

which should prove helpful to those interested in the mining stocks, are given in our

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International Nickel Suggested for a "Turn"

Regarding the recent price movements of International Nickel, Edward Cronyn & Co. say: "Last fall we got many of our clients interested in nickel, at prices lower than to-day, and succeeded in getting the company to list its shares on the Toronto Stock Exchange. After this we thought the price went too fast and we sold out practically all of the stock bought. The company has a splendid shareholders' list of over 10,500 people. This wide distribution of stock tends to make a broader and sounder market. The statement recently published (nine months) was very satisfying. Surplus and reserves amount to two-thirds of the par value of the common stock. Net current assets amount to over $15,000,000. Included in this were government bonds, call loans and cash of over $6,000,000. The company earned net at the rate of 12-1/5 per cent on the common stock, which is more than 50 per cent. over its present payment of 8 per cent. At this rate and with the stock at 35 the return on the investment is approximately 6 per cent., but one can be fairly sure that with the great increase in the use of nickel the rate will be materially advanced in time. To all intents and purposes the company has a monopoly of the nickel production of the world. Demand for nickel products has recently increased so much that the company now has to open up the largest deposit of nickel ore in the world, the Frood Mine. Some idea of the importance of this undertaking may be had from the statement of the president that development of the Frood Mine will later require 2,500 men, and will cost $8,000,000. We regard this stock as a sound business investment and a good speculation for a reasonably quick turn."

Myers Cleared of Charge Making False Statements

WINNIPEG.—Joseph Myers, managing director of the Bingo Mines, Limited, was found not guilty by Mr. Justice Curran in the Court of King's Bench. Mr. Myers was charged with making false statements with intent to deceive.

In discharging Mr. Myers, Mr. Justice Curran said: "So far as this court is concerned, it is my duty to find you not guilty. There has been adduced before me no evidence that could reflect on your character as an honest man, and I want to tell you, as some compensation for a long-drawn-out trial, that you leave the court honorably acquitted, and without a stain on your character.

In a shaking voice, Myers then addressed the court: "I thank Your Lordship. I have been subjected in this case to the most unwarranted, vicious and despicable persecutions, such as few men have ever been called to meet. I have been the victim of persistent, malicious and dishonest propaganda, which has been broadcast by those who sought my ruin to gain their own ends."

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To those who inquire, every facility will be given for an exhaustive investigation of all aspects of the situation, and they will find it notable not only for the apparent magnitude and value of the properties to be developed, but for several very important things:

1. The care with which the properties have been examined and plans for development laid.
2. The character of the men associated with this enterprise.
3. The exceedingly conservative basis of financing which ensures the investor the maximum share of the reward of success.
4. The entire absence of promotion or director's stock.

It will be to the advantage of those interested to write or wire immediately for complete details.

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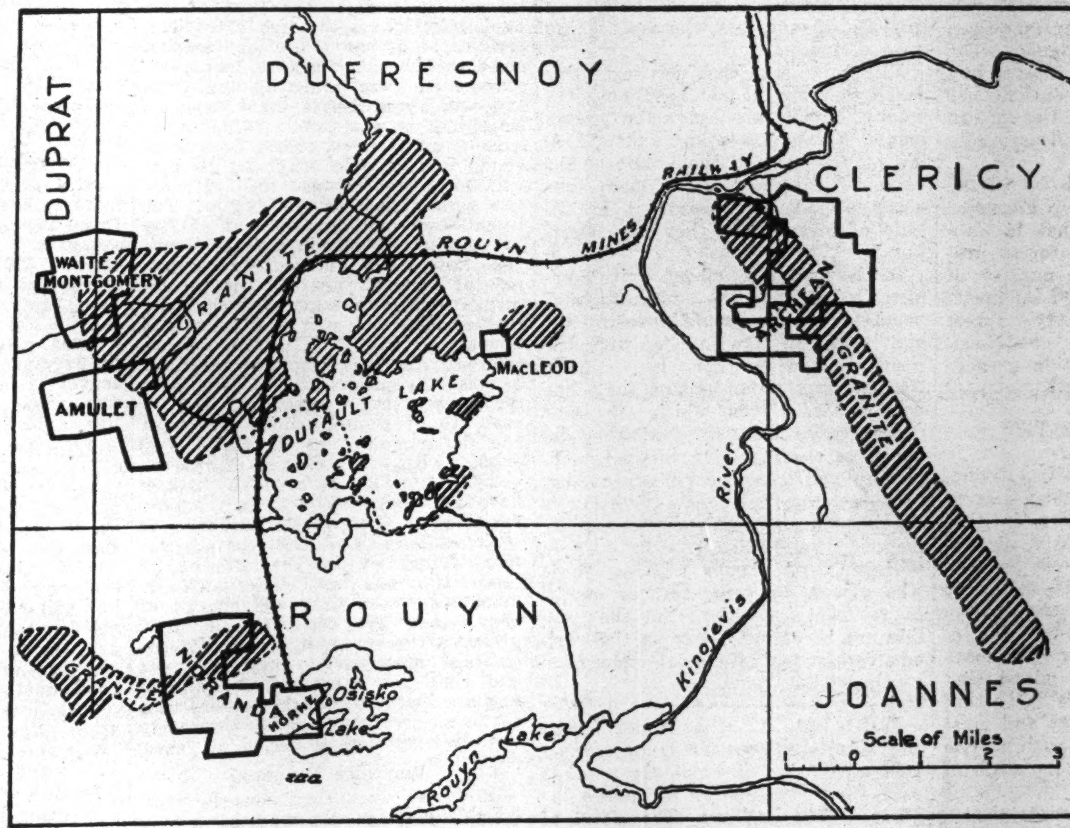

Map showing granite intrusions—around which the bigger "finds" of copper-gold are being made.

THE FINANCIAL POST

Member Audit Bureau of Circulations.
President—JOHN BAYNE MACLEAN
Vice-President—HORACE T. HUNTER.
Manager—GORDON RUTLEDGE
Editorial Director—F. S. CHALMERS
Editor—J. W. TYSON

A weekly newspaper, presenting in a popular manner, reliable information respecting investments and financial affairs in Canada.

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER.

TORONTO, APRIL 16, 1926

The Financial Post's Platform for Canada

Promote national unity.
Reduce taxation; curtail public waste.
Conserve Canadian resources for Canadians.
Develop production and manufacturing to the highest point in Canada.
Settle our vacant lands.
Encourage individual initiative.
Induce and protect investment of capital in Canada.

INSURE THE FORESTS

THE idea has grown up and has been all too widely accepted that Canada has inexhaustible forests. The security created by this belief can only be compared to that of the ostrich. We should not foolishly close our eyes and bury our intelligence to the devastation taking place year after year as the result of fire and disease, which are doing vastly more to denude the north country than are the axes of the lumbermen. The government has declared a Save-the-Forests week. It is a time to stop, think and do something.

Canada's available timber is better located for commercial purposes than that of the United States, but the forest resources of the latter country are still the greater, despite reckless waste. Canada should not only take steps to prevent the destruction of her favorably situated timber supplies but she should follow a practical policy of reforestation so that these areas will continue to supply lumber to create wealth for the Canadian people. At the rate the forest is being used up and burned up it will be comparatively few years until both timber and pulpwood supplies are dangerously depleted.

Fire, it has been estimated, plays havoc in the forest to a greater extent by twenty times than the axes of the woodsmen. Preventative methods have in recent years become more effective but it is a dangerous fallacy to accept that, because there have been no very serious fires in recent years, the menace has been overcome. There have been several wet seasons—Providence rather than man has been the protecting agency. Let there be another dry, hot season and unless even greater precautions are taken than has ever been the case in the past the fire fiend will assuredly again get in his work.

It has been estimated by Dean Howe of the Faculty of Forestry, University of Toronto, that in Canada the expenditure for forest protection is less than one quarter of what would be the cost of an insurance policy on the country's forest assets. Would it not be good business for Canada to provide a more adequate insurance policy?

PROTECTION FOR THE PRODUCER

ONE of the difficulties in convincing the mass of the people as to the benefits of protection is that modern manufacturing is often removed so many stages from the raw materials that the tariff seems to benefit the manufacturer rather than the producer. But occasionally the interests of the producer and the manufacturer are so closely allied that the public can appreciate fully that they are in the same boat and must sink or float together. Such a case is the sardine canning industry of the Maritime Provinces.

Ten years ago there were twenty-eight sardine canning factories in the Dominion; to-day there are only two. The Norwegian canners are said to be straining every nerve to popularize their products and to extinguish the Canadian industry altogether. This is the case for protection of the two remaining canning plants at Black's Harbor and Saint John made at Ottawa by T. W. Caldwell, former Progressive member for Victoria-Carleton, N.B.

The canners have offered to pledge their plants to the government as a guarantee that they will not increase the price of their product to the consumer if they are given the protection necessary to prolong their existence. Further they hope that with protection they will be able to increase their output with benefits to the whole community. They ask the removal of the sales tax on the cheaper brands as well as a readjustment of the tariff on imports. Norwegian canners can deliver their sardines to Edmonton, via the Panama canal, at a considerably smaller cost than the transportation charge from New Brunswick to that city. Canada's big market for canned fish is in the Western provinces.

Protection for the Canadian sardine industry means benefits for the fishermen and for Maritime communities as well as for the canners. The same benefits to the producers result from protection of other industries, even though they may not be so apparent.

THE BUSINESS OF FLYING

PROGRESS in the commercialization of the aeroplane is again indicated by the reports from St. John's Nfld., that the best seal catch in fifteen years has been due in part at least to the successful scouting with the air machine which went with the sealing fleets.

Flying machines are likewise being put to very practical purposes in Canada. On the continent and in the United States they are used for mail services and for carrying pasengers between important commercial centres; in these countries the ships of the air fly between the large cities. But in Canada their chief use is in the north country where no other means of rapid transportation are available. They compete with the primitive dog train.

In the surveying of forest areas, in the movement of men and equipment to fight forest fires, and in the transportation of passengers and supplies in the wake of the mining prospectors, the areoplane is playing its part in rolling back the map of civilization.

LABOR'S 100 PER CENT STAKE

DISCUSSING the problems of labor with characteristic intelligence and forcefulness, Tom Moore, president of the Dominion Trades and Labor Congress, before a Toronto audience of manufacturers and business men, declared that the interest of capital industry could never be so great as the interest of labor. Capital he said was surplus funds—a portion of the wealth of the investor—while in the case of labor the job was the worker's all, it was for him a 100 per cent. investment in the industry.

Mr. Moore's statement that the interest of labor in industry is even greater than that of capital, serves to emphasize that labor as well as capital benefits from any policy which protects or encourages production and manufacturing in Canada. Efforts have been made at times to divorce labor from the policy of protection behind which Canadian industry has been built up. These efforts have been political in character and they have never attained great success because of the basic relationship of labor and industry which Mr. Moore has so effectively made clear. The interests of capital and labor are the same. Both are dependent upon the prosperity of industry.

SAFETY IN KNOWLEDGE

A. H. SMITH, president of the Madison & Kedzie State Bank, Chicago, comments on the noticeable increase of investors who are seeking good securities.

Mr. Smith says that this is no evidence that the people have any less money, but he attributes the phenomenon to an increasing understanding on the part of the public of the value of investments. People are using considerable judgment in the type of investments they are selecting.

In the past it has been quite common to postpone the education of people in the value of investments, and often till late in life, with the result that when they had finally reached a position where they had accumulated funds which it was necessary for them to invest they did not have the investing instinct.

More and more, people are coming to appreciate that sound investing is the insuring of a fair return on the principle as regular income. There still are, and always will be, those who expect, by some sort of magic, to get rich overnight. But the gullible are becoming fewer as the various forces for financial education continue their work.

WHO Puts Up the Money? asks the Manitoba Free Press in connection with what it evidently regards as a sinister campaign to oppose the Hudson Bay Railway. The effect of such a question may well be to cause Canadians generally to ponder as to who has been financing the very well organized campaign in favor of the road. Any opposition to the project has been a feeble thing indeed compared with the continuous propaganda which has been spread for some years to force the government to make the required appropriation.

Forest Fire Insurance Can be Cheaply Bought

Present Expenditure Less Than 25 One-Hundredths of One Per Cent. — Only Quarter of Ordinary Insurance Rate

By C. D. HOWE, B.A., Ph.D.,*
Dean Faculty of Forestry, University of Toronto.

FOREST FIRE statistics for the Dominion taken at their face value make discouraging reading. For example, there has apparently been no sensible reduction in the total areas annually burned in the past ten years, although there has been a progressive increase in annual expenditure upon protection devices in the forest and upon publicity work outside of it. This does not mean that the protection organizations are becoming less efficient—far from that. It does seem logical, however, to conclude from the statistics that the undoubted increased efficiency is just keeping pace with the increased liabilities due to the greater accumulations of inflammable debris from logging operations and insect pests, the extension of settlement in spruce and pine lands, and much greater recreational use of the forest by tourists, fishermen and campers.

It is an apparently nip and tuck race between more effective protection on one hand and greater hazards on the other, in which at times one forges ahead and then the other; in the dry seasons, such as 1923 in Eastern Canada and 1925 in British Columbia, the destructive forces are in the ascendancy, and in the moist seasons the protective forces win out. At the end of the moist seasons with low hazards and reduced areas burned, the political organizations shout from the house tops that they have solved the problem of forest fire protection. Of course, this attitude is due to ignorance and inability to interpret past records, if, indeed, they are ever consulted, but it has an entirely misleading effect upon the public mind. At the end of dry seasons with extreme hazards and highly destructive records, especially if much timber, pulpwood and human life have been destroyed, there is a great public outcry for reorganization and more efficient service. Our substantial advances in fire protection are chiefly made after calamities. Then, we, the public, sink back into the attitude of "Let George do it," which means it is not done, or is done haphazardly and we are not much better prepared than before to cope with the great emergencies when the extra dry periods occur again. Such is the constructive ability of democracies. This characteristic does not apply to fire protection alone!

Let us fight for sustained effort. This is the hardest thing in the world to achieve, but it is the cornerstone of every successful endeavor, individual or governmental. In the moist seasons of low hazards, let us consistently and constructively prepare for the dry seasons of great hazards. Let us free ourselves from the stigma of the allegation of considerable truth that the effectiveness of fire protection in this country, in spite of the increasingly large sums of money expended upon it, is still very largely a question of climate, that is, one of the amount of rainfall during the summer months. Let us not wait until the enemy is charging up the slope before we begin to forge our bayonets.

The "Official" Season

At the present time, there are governmental organizations in this country where the forester in charge cannot increase his staff on the approach of extremely hazardous conditions; only when the fire breaks out can he hire additional help. There are large areas in the Dominion where the limits of the fire season are set by department decisions at head office. If the Lord is so ungracious as to create a danger period before or after the official fire season, the fires burn unattended, or the forester in charge hires men to fight the fires on his own initiative at the risk of official censure or of losing his job. During Save the Forest Week of last year, when men were going up and down the country at Government expense, appealing to the public to be more careful about fires, forest fires were being inadequately attended in certain localities, because the "official" fire season had not yet begun! The installation and development of fire protection methods in certain localities have been refused by departmental officials against the recommendations of a staff of technically trained men and men who were well acquainted with the hazards of the regions. Another thing that militates against the progressive development of fire protection methods is the instability of tenure of the heads of the departments concerned. They change with every change of government. As we all know, these changes have been very frequent in the past few years. The political situation is such in some cases, that the government hangs on by the skin of its teeth—if it has any. Under such circumstances, the time and energy of the leaders are for the most part given to the repair and oiling of the political machinery. They have not the time for constructive planning and are loath to initiate policies that to be successful must be vigorously sustained through a period of years.

Remedies Proposed

How can such conditions be remedied? Well, in one way, by letting the public understand the situation by courageous speaking, by increasing the educational facilities of the Canadian Forestry Association and of the forestry departments of the Dominion and the provinces. From another angle, it may be stated that there will be no adequate progressive development of forest protection methods until trained men of proved capacity in the field are given power to act on their own judgment. It stands to reason that they understand conditions better than departmental officers sitting at their desks, it may be hundreds of miles away. After all, effective fire protection is a local problem in regions where settlement and industrial conditions are rapidly changing. In one district, aeroplane patrol may be the most efficacious; in another, lookout towers linked up with a telephone system; in still another, a ranger or a railway speeder or a canoe patrol. No one system at the present time is universally applicable to all conditions in our country. Experience teaches, however, that in districts sufficiently settled to furnish fire fighters, the lookout tower system is the cheapest and most effective in the long run.

In considering this great national problem of forest fire protection, we must look in the face the fact that no amount of propaganda and publicity in themselves will entirely prevent forest fires. So long as people are human, they will be careless and irresponsible, even with their own property. Look at the records of fire insurance companies. They show there has been no material reduction of fires as taken through a series of years. One would naturally think if man would be careful of fire anywhere it would be in the home containing his loved ones and in the factory or office where he earns his daily bread.

The fire insurance statistics, however, show that in proportion to the amount of insurance in force, the actual money losses have decreased in the past decade. This indicates that the efficiency of the machinery for the suppression of fires has increased. This has undoubtedly been accomplished through the more effective organization of the services and the use of modern equipment. The success in fire fighting has been due to the development of methods of quick access to the point of danger with equipment for suppression.

Now the same thing holds for forest fire protection. The best example of success in this respect is the railway fire protection. A few years ago, the railways were responsible for more than one-half of the forest fires, but today for about one-fifth of them. When the Dominion Railway Board took hold of this work it not only secured appropriate legislation, but it developed and maintained the machinery for enforcing its regulations, such as speeder patrol, tank cars and fire fighting pumps; hence its success. The railways themselves, at first skeptical, are now contributing largely in brains and money towards its success. In fact, no fire fighting organization has more loyal and effective support from great corporations than the railway fire protection service.

So far as I am aware, the best fire protection service outside the jurisdiction of the Dominion Railway Board—perhaps not even second to it—is to be found in the Central Ontario region with its lookout tower-telephone system controlled by its scientific study of fire hazards. The public at first skeptical is rallying to its support because of its demonstrated success, particularly because the inhabitants of the region are daily becoming more impressed by the abundant showing up of young white pine under the encouragement of adequate protection.

Such examples as these are worth tons of literature on the necessity of more effective forest fire protection. We need many more of them.

I think we will all acknowledge that the growing forest fire consciousness is better developed in the large centres of population remote from the forested areas than in the regions where it would be most effective. The policy of the Canadian Forestry Association in carrying its educational work to the dwellers of the hinterlands where the largest number and the most destructive fires occur, should be more vigorously prosecuted and more abundantly supported in a financial way.

According to Roland Craig, our present expenditure upon protection is less than twenty-five one-hundredths of one per cent., based upon a conservative estimate of forests in terms of stumpage alone. The rate in ordinary fire insurance is about one per cent. Thus, the rate is less than one-fourth as much for insurance of forest property as for private property.

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*In "Forest and Outdoors."

PRESERVE THIS NATIONAL ASSET

Business men generally recognize the fact that the forest products industry is a chief artery in the flow of Canadian commerce. They recognize, moreover, that the timber, pulp and paper and allied industries can be relied upon as one of the chief factors to bring prosperity to the nation as a whole.

However, it was not for the business man that Save-The-Forests-Week was inaugurated — it was for the man in the street. Because Canadian business generally has such a vital interest in our forest wealth, it, therefore, behooves Canadian business men to assist the principals behind the "Save the Forest" programme. Business men realize the problems and what is more, they are the ones who can best visualize the danger to others. The influence of business men is great; it should be more used to save the Canadian forests — not for posterity — but for us.

Personal

WILLIAM STONE, whose retirement from the office of president of Rolph, Clark & Stone, Ltd., is announced, and who has sailed for England to spend several months, quits an active business career of fifty years in the lithographing, printing and publishing business. He is not only an outstanding figure in the printing industry but he has attained a position of prominence in the financial and business community, being director of the Bank of Toronto, director of the Manufacturers' Life Insurance Co., director of the Canada Permanent Mortgage Corporation, director of Canada Permanent Trust Co., director of William Stone Sons, Ltd., Woodstock, and director of the A. W. Chase Corporation of New York and Toronto. Mr. Stone entered business on his own account in 1882 when he bought the old Toronto Lithographing Co., afterwards Stone, Ltd. Nearly ten years ago he amalgamated with Rolph, Clark Company. As head of these three companies he has held the office of president continuously for forty-three years.

C. H. WHITAKER, manager at Winnipeg for the Massey-Harris Co., Ltd., for the past 22 years, and with the company in other positions for 40 years, has retired after a highly successful business career with that company. Mr. Whitaker is one of the oldest shareholders in the company and probably the largest shareholder in western Canada. After early successes with Massey-Harris in the East, he was sent to take charge of the new and growing Winnipeg office in 1904 by Sir Lyman Melvin-Jones. From the first, Mr. Whitaker's ability and initiative asserted themselves, and under his capable direction the Winnipeg territory developed in leaps and bounds. While maintaining a very close touch with his business interests in Winnipeg, Mr. Whitaker, nevertheless, found time to interest himself in many activities of a public and benevolent nature. He devoted considerable time to the things that tended to help develop Winnipeg not only as a business, but as an educational, intellectual and social centre. He has the best interests of Winnipeg at heart.

Prof. Scott Nearing, Socialist Lecturer, Seeking Dates in Canadian Churches

Professor Scott Nearing, American socialist lecturer, is making his annual tour of Canada, spreading propaganda on behalf of our trade competitors in Europe.

Originally he covered Canada with the endorsement of a little group of highbrows connected with Toronto University, some of whom knew better and others of whom were quite sincere in their support of him. He was held up for public approval as a sincere worker on behalf of downtrodden labor, giving his own time and money to their cause.

At that time, Nearing posed as a martyr, having just been dismissed from Pennsylvania and Toledo universities. But while he had been earning $200 a month, he was receiving $600 a month from wealthy German propagandists. When The Financial Post brought out these facts, it was attacked with the old-time, propagandists' cry that it was endeavoring to suppress free speech and free thought, that it was speaking for capitalists.

After two or three such visits, the college authorities and the students themselves began to see through the man and he has not been permitted, or, to put it more politely, has not been invited to college halls. He sought labor audiences. Union leaders are now beginning to see through him and even so strong a communistic anti-capitalist professional agitator as James Simpson, the Toronto printer-journalist, has come out in condemnation of him for his misrepresentations of the British labor situation. Nearing is now seeking hearers among Canadian churches, Y.M.C.A.'s and old ladies' teas at private houses.

Nearing is advertised as a professor in the Rand School of New York. The Rand School was raided by the authorities and the evidence taken before the New York legislative committee showed, among other things, that it maintained a bookstore in which lascivious publications occupied a prominent place, and these publications were sold freely to boys and girls.

At one time, Nearing published an article in "The Nation" suggesting that the United States send an army to conquer Canada.

The men and women in control of Christian associations and churches generally are so clean and honest themselves, they cannot believe that there are organizations who use and depend upon the churches and Christian associations for the spread of disloyal, anti-British and immoral propaganda. As trustees it is their duty to investigate all foreign speakers who come among them before allowing them to address their young people; and certainly they should not use monies collected from the public to pay such speakers.

ONTARIO

SALE OF HARDWOOD TIMBER

TENDERS WILL BE RECEIVED by the undersigned up to and including the 15th of April, 1926, for the right to cut the Hardwood Timber, comprising Birch and Maple, on an area in the District of Algoma, partly in the Mississaga Forest Reserve and partly in the section immediately South thereof, subject, amongst other conditions, to the manufacture of same into the finished product within the Province of Ontario.

FURTHER PARTICULARS may be obtained upon application to the undersigned, or the Deputy Minister of Lands and Forests, Toronto, Ontario.

JAMES LYONS,
Minister of Lands and Forests.

N.B.—No unauthorised publication of this Notice will be paid for.
TORONTO—January 22nd, 1926.

Abitibi Power & Paper Company Limited

Dividend Notice

Notice is hereby given that a quarterly dividend of One Dollar ($1.00) per share has been declared on the Common Stock of the Abitibi Power & Paper Company Limited, payable the 20th day of April, 1926, to shareholders of record at the close of business the 10th day of April, 1926.

By Order of the Board.
W. H. SMITH,
Secretary-Treasurer.

State of San Paulo

7% Bonds

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of the State of
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Price, 96½ and
accrued interest,
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R. H. McMaster Joins Royal Trust's Board

MONTREAL.—At a meeting of the board of directors of the Royal Trust Company, Ross H. McMaster, of Montreal, was elected a director, and H. H. Champ, of Hamilton, was appointed a member of the Hamilton Advisory Board.

Mr. McMaster is president of The Steel Company of Canada, and a director of the Canadian Pacific Railway Company, besides being interested in several other important organizations.

Mr. Champ is vice-president of The Steel Company of Canada.

WILDERNESS OF TAXATION

Galt Reporter: The increases in public expenditures during the last twenty years are truly terrifying. Public bodies just revel in spending and a great deal of it is either wasteful or unbusinesslike.

It would seem that the public needs a Moses to lead them out of this wilderness of excess taxation. The spending is getting quite a few laps ahead of the earning powers. A stand must be made somewhere, else a large part of the public business must end in a condition of hopeless insolvency.

Bell Telephone

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The next dividend on Bell Telephone stock will be the 168th consecutive dividend.

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The West Grows

Few among us really see what is going on in the growth of the West. Streets that only a few years ago were quiet residential thoroughfares are now busy business blocks, and this condition is increasing. We should all see Vancouver.

Pemberton & Son
Financial Agents
Sey. 9490
418 HOWE STREET
Vancouver, Canada

April Investments

April is one of the most important months of the whole year from the standpoint of dividend and interest distributions. It is conservatively estimated that the disbursements in April, 1926, will amount to approximately $45,000,000.

As a large portion of these funds, together with other available funds, will be seeking investment, selections should be made as early as possible.

To those having funds our April List will be of interest. This list contains a wide selection of securities including issues of the Dominion, the Provinces, a large number of cities, towns and industrial corporations, and also includes an attractive odd amount list.

Copy of April List on request.

A. E. AMES & CO.
LIMITED

Business Established 1889

53 KING STREET, W., . - TORONTO 2
TRANSPORTATION BLDG. MONTREAL
VICTORIA VANCOUVER
NEW YORK LONDON, ENG.

Investment Securities

Your Investments

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Quebec Pulp and Paper

E. C., Hamilton.—In settlement of a debt I acquired stock in the Quebec Pulp and Paper Mills. Could you tell me where I could find a market for this stock?

At the present time you will find no market for this stock. By handing it to a broker you could probably obtain some bid, but just at present we believe that anything which you would be offered would be entirely out of line with the equity behind the company's securities. We would advise you to "salt" away your stock for some little time.

Canadian Canners

Banker, Ontario.—Will you please give your opinion of Canadian Canners, preferred and common stock at present prices, purchased for a hold?

Both the stocks, preferred and common, of Canadian Canners are very well regarded. Dividends are around 15 or 16 per cent. in arrears on the preferred at the present time. It is anticipated that during the present year about 5 per cent. will be paid on the preferred and that next year the full dividend with a portion of the arrears. Common dividends we should judge are some distance removed, but the company is now in a very sound position planning on perhaps the biggest canning business on the continent, and is very well handled.

Republic Power & Cyaniding

Montreal subscriber.—Will you please give me your opinion of Republic Power and Cyaniding Co., incorporated in Washington State, formerly Republic Exploration and Cyaniding Co.?

Records of Washington mining companies fail to show such a company as Republic Power & Cyaniding Co., formerly Republic Exploration and Cyaniding Co., but I do see such a company as Republic Consolidated Mines Corporation which is now owned by the Northport Smelting and Refining Co., and reports are that this corporation has had a very checkered career, so I have no doubt that yours is mixed up in this proposition. Unfortunately, I have not the address, and do not seem to be able to lay hands on it.

Saguenay Pulp

J. M., Winnipeg.—Did not a new company acquire the assets of the Saguenay Pulp and Power Co.? If this be so when may I, as a shareholder in the latter company, expect to obtain my new securities?

Yes, the Quebec Pulp and Paper Mills Limited has acquired the Saguenay Pulp and Power Company's assets and the latter now holds in its treasury $785,000 par value new common stock of the Quebec Pulp and Paper Mills.

The Saguenay Pulp and Power Company has $4,350,000 of common stock and $3,500,00 of preferred outstanding. Thus for every ten common and preferred shares outstanding, your company has one share in the Quebec Pulp and Paper Mills.

Whether these will be distributed in the ratio of one of the new shares for every ten of the old depends on the attitude of the preferred shareholders of the Saguenay Pulp and Power Company who may claim that they are entitled to all the stock handed over in the re-organization. Should the preferred shareholders hold out in their claims it seems possible that the common shareholders would then refuse to wind up the company by the distribution of the Quebec Pulp and Paper Mills' stock.

In any event, apparently, the Saguenay Pulp and Power Company has not yet reached a decision as to the ultimate disposition of its assets, which consist entirely of 7,850 shares in the new company. We do not know when some decision will be reached, but feel that probably a shareholders' meeting will be called shortly. Probably at that time, the shareholders, both preferred and common, would be willing to accept one new share for every ten of the old.

Jamaica Public Service

T. H. C., Cuba.—Please advise me which is the senior preference security of the Jamaica Public Service Corporation. Is there any chance of the junior securities being confused with the senior? Also please let me know how the company's capitalization is made up.

Some time ago the Jamaica Public Service Company authorized an issue of $250,000 cumulative 7 per cent. preference shares, but these were to rank junior, and not senior, to the old issue of 7 per cent. cumulative preferred stock.

These "B" preference shares have a par value of one pound—from time to time the company will offer further of these shares to its customers. At the present time, there are $79,312 of "B" preference shares outstanding.

There follow in their order of seniority the various securities which the company has outstanding at present. You can see from this that the further issue of £1 preference shares will only increase the equitv of the $100 preference shares, the ones you are considering purchasing.

	Authorized	Outstanding
Underlying 5 per cent. bonds	$ 200,000	$ 200,000
6½ per cent. bonds	1,000,000	1,000,000
7 per cent. pref. $100 par value shares	750,000	750,000
7 per cent. pref. £1 par value "B" shares.	250,000	79,312
Common stock	1,000,000	750,000

We believe that the $100 preference shares would be an excellent investment. The last annual report of the company shows excellent strides in its earning power have been made.

Maritime Telegraph

C. M. C., Penticton.—I hold 36 common and 52 preferred shares of the Maritime Telegraph and Telephone Co. which cost me $880. What is the present value of this stock and if I should sell, what is a good buy?

The preferred and common shares of the Maritime Telegraph and Telephone Company change hands but infrequently; the last quotations which we have been able to obtain were $8.25 for the common and $10.15 for the preferred. In other words, you could obtain around $825 for your holdings.

At the present time we believe you would probably be well advised to hold this stock. The yield is in the neighborhood of 6½ per cent. at present prices and you would find it hard to purchase any other public utility stock with as high a yield. For a yield of just over 7 per cent., the preferred shares of the Winnipeg Electric Company and the Jamaica Public Service Company look attractive to us.

Whether you should buy gilt-edged bonds, preferred stocks or common stocks with the proceeds of such a sale would naturally depend on what disposition you have made of your other investment funds.

Steel of Canada

J. M. C., Winnipeg.—I have a little over $1,000 to invest and have been thinking of buying Steel of Canada. What information have you to give me? It pays good interest and appears to be fairly secure.

Considering the dividend record of the Steel Company of Canada we belive that you will find an investment in the shares a satisfactory one, if you are satisfied to look forward to a return on your money on the basis of the present price.

However, the investor who buys the common stock of an industrial corporation must always have in mind that the value will fluctuate from time to time as a reflection of business conditions. The stock of United States Steel Corporation is an example. Therefore, while the outlook for continued business prosperity for the Steel of Canada is bright, it cannot be overlooked that the stock has already had a substantial advance from a low of 80 in 1925, and that any contraction in the present volume of business would undoubtedly be reflected by the market in a decline, just as a continuation or increase in the present volume of business would be reflected in a further advance.

C.W. Dome and T.O. Burnside

A. H. J., Lachine, Quebec. — Please would you give writer advice regards investing in mines in small way, thinking of Cons. W. Dome and Tough-Oakes-Burnside.

C. W. Dome and T. O. Burnside Mines may ultimately work out but there is an element of danger that suggests their being too speculative for the small buyer. You are considerably removed from the market and I wonder if you would not be well advised to buy the dividend payers.

Associated Goldfields

J. A. G., Chicoutimi, Que.—Report on Canadian Associated Goldfields.

The outlook for Canadian Associated Goldfields is not any too bright. You are doubtless aware that the company has around twenty-two million shares of $1.00 per value issued, and is operating a small property in the Larger Lake district of Northern Ontario. For some considerable time now they have been erecting a mill, but while I am not certain of it, I understand that they have been somewhat crippled for finances. Otherwise this mill should have been erected and in operation.

The company, I think, has been wasteful. A year or so ago, they had something like a million dollars cash in the treasury, and seemingly they have spent all on developing this property. Another fact is that any statements in regard to the developments on property or ore reserves, have come from the company and their own engineers. They may be absolutely right, only, on their old property which was abandoned, they carried on for years selling stock with glowing reports of the ore they were putting in sight, and glowing samples of very rich gold ore which they showed to prospective buyers, only to have the operation completely collapse.

Brazilian Traction, Light and Power Company, Limited

(Incorporated under the Laws of Canada)

Notice is hereby given that the Board of Directors of this Company has declared a quarterly dividend of 1¼ per cent. on the issued Ordinary Capital Stock of the Company, payable on 1st June, 1926, to all shareholders of record on the registers, at the close of business on the 30th April, 1926.

Dated at Toronto, Canada, 8th April, 1926.

J. M. SMITH,
Secretary.

Note: The Transfer Agents of the Company are National Trust Company, Limited, Toronto and Montreal, Canada.

The London Agents of the Company are the Canadian and General Finance Company, Limited, 3 London Wall Buildings, London, E.C. 2.

Appreciate Inquiry Service

Letters Received by The Financial Post in Two Days

Editor, The Financial Post:

"I have your letter in reply to my recent inquiry re Courtaulds, Limited. Please accept my thanks for your courtesy in this matter."

—Toronto Subscriber.

Editor, The Financial Post:

"Please accept our thanks for the information contained in your letter re Canadian Canners Preferred and Common stock. This is very much appreciated."

—Bank Manager.

Editor, The Financial Post:

"Many thanks for your suggestions re International Pete."

—Northern Ontario Investor.

Editor, The Financial Post:

"I have your letter in reference to deposits of Lithia and am much obliged to you for the information it contains."

—American Engineer.

Editor, The Financial Post:

"I am much obliged for your letters and appreciate the full information you have kindly furnished in response to my inquiry."

—Western Reader.

Editor, The Financial Post:

"I have your letter and wish to thank you for the trouble you have taken in securing this information for me."

—Sudbury Reader.

Editor, The Financial Post:

"I beg to thank you for your letter. The information contained therein was much appreciated."

—Nova Scotia Banker.

POST-Scripts

THE banking situation in Cuba is pretty well dominated by Royal Bank of Canada—in fact the Royal is familiarly called the "Banco di Canada." However, perhaps a better indicator of the influence of the Royal in the Island Republic, is the following extract from a letter which appears in the Port Dover, Ont., newspaper:

"The Royal Bank of Canada have over sixty branches in Cuba and financially they are 'it' with a capital 'I.' A striking example of their prestige was shown me when I booked passage back to the U.S. They are very strict at the ticket office, as I understand that the steamship company is penalized $1,000 if they bring over anyone who is rejected by the U.S. immigration authorities at the U.S. port of entry. The official demanded a birth certificate showing that I was a Canadian citizen. I had a letter from the American consul, which he chose to ignore. I showed him a letter from Mr. Freeman on Royal Bank stationery, which he O.K.'d without question. I put the U.S. consul's letter back in my pocket, took Mr. Freeman's letter over and got my ticket."

AN EXAMPLE of the far-reaching co-operative services of the modern public service corporation is provided by the Bell Telephone Company in a handsome pamphlet issued by the plant department for the purpose of inducing architects, builders, etc., to consult with the company in reference to wiring plans. Plans are submitted showing practical methods by which wiring may be installed during construction. Discussing the modern idea for concealed wires the booklet says:

> Most people have an aversion to exposed wires, pipes and fixtures. As a result, modern buildings have been constructed so as to keep electric light wires, water pipes, gas pipes and such from view. Until recent years the telephone, having been installed after the completion of construction, has been connected with exposed wiring neatly tacked in inconspicuous crevices of the baseboard or framing. However, during the last ten years, there has been an increasing desire on the part of property owners to make advance provision for their telephone service so that the wires may be concealed in the same satisfactory manner as the electric light wires or the gas and water pipes.

MANY are the influences, direct and indirect, exercised by the vagaries of the weather over business conditions. But the most interesting of these which has come to our attention even in this year of unusual weather, concerns one of the Ontario radial railways, which reports that, because of the spring snowstorms its revenues have been increased—not curtailed.

The reader will recall that in the past the snow storm has been regarded by the railway companies as an ill wind blowing good to nobody in the transportation business. But conditions have changed. The great competitor of the railway, and particularly the radial railway, is now the automobile. At times the snowstorms make it difficult for the automobile to perform its part in rural transportation while the radial line operates on schedule. The result is that during rough weather many automobiles are left in the garage and their owners patronize the radial roads which benefit by this situation.

DURING his recent address to the Toronto Canadian Club, Tom Moore, Canada's national labor spokesman, revealed his ability to tell an effective story during the course of his address. Coming to the end of his remarks he announced his intention to conclude, telling his audience they need not fear his making the mistake of a certain rising young man in public life who was being coached in his public speaking by an experienced politician.

At the conclusion of a meeting where he felt he had made an effective appearance this young man asked "How did it go?"

"It was a splendid address," said his experienced friend, "but there is just one criticism I would offer."

"What is that?" asked the younger man.

"Well you had three d——n good chances to quit and missed all of them."

The Greenshields Review

The current number discusses financial and commercial conditions from the standpoint of investment markets.

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Billboards Impair Real Estate Values

CHICAGO. — Control of outdoor advertising in city suburbs and in the open country so as to conserve the beauty of scenic spots and of residential districts against the blare of ill-placed billboards will be one of the topics to come before a city planning conference to be held at Tulsa, Oklahoma, June 8. The conference is one of eight special conferences of national scope on topics related to real property which will be held simultaneously in connection with the opening of the annual convention of the National Association of Real Estate Boards.

Clyde L. King, of Harrisburg, Pennsylvania, will address the conference on the question of restrictions on outdoor advertising. Axel Lonnquist, of Chicago, chairman of the association's committee on city planning and zoning, will preside.

The association has already formally taken the position that the natural beauty of our country is a public heritage to be conserved, and that no individual and no corporation has the right to despoil this beauty for private profit. It holds that the problem of outdoor advertising, because of its relation to the stabilization of land values and the preservation of aesthetic values for community living, is one phase of the problem of zoning.

It has instructed its committee to commence investigation as to what legislation would be advisable for regulating the use of signboards and billboards so as to give full opportunity for legitimate and necessary advertising but so as to conserve the appearance of natural beauty spots and of residential districts.

What is Business?

By C. L. BURTON, Vice-President Simpsons, Limited.

Can we say business is society's instrument of service to provide it with commodities which a highly developed civilization affords for itself?

It involves production of natural wealth, conversion of raw products into the finished article and the distribution as needed or desired to the consumer.

Subsidiary Activities

It involves all sorts of subsidiary activities having to do with machinery, plant, buildings and fittings and their maintenance and renewal. It involves a wide range of service such as banking, accounting, insurance, etc., requiring the services of the financier, the engineer, the scientific expert, the trained executive, the experienced merchant as well as various classes of labor and incidental help.

Principles Involved

Over so wide a range one can only hope to suggest some of the principles which should always lie at base of our school training.

In a broad sense one can say that there is no useful or cultural teaching that can be left out of the consideration of the educational training for business life.

Business, a Series of Services

Business is nothing other than a series of services in which the spirit of service must be uppermost.

To exemplify a spirit of service requires individual desire to serve from one end of a business to the other.

Like the link of a chain a business is only as strong as its weakest individual servant.

From Dollars Only

"The present is the time of all times for the individual man; the individual will; the individual mind; the individual energy. It is pre-eminently the day of the individual character of the independent citizen. It always comes back to the individual, to the single man, the single woman."

Emerson said truly: "A great institution is but the lengthened shadow of a single man."

Businesses to-day giving the best service are the most profitable, the most successful and offer the best and happiest outlet for life's activities.

Asbestos Corporation of Canada, Limited

NOTICE

Notice is hereby given that the date for exchanging the securities of Asbestos Corporation of Canada, Limited (Old Company), for securities of Asbestos Corporation, Limited (New Company), as provided in this Company's circular letter to its Shareholders, dated February 3rd, 1926, has been extended from April 1st, 1926, to May 1st, 1926, and the Transfer Books of Asbestos Corporation of Canada, Limited, will remain open until the latter date.

Asbestos Corporation of Canada, Limited
J. T. McCALLUM, Secretary-Treasurer

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Corporation Bond List

A new List, just issued, has been prepared to assist investors to obtain higher income with adequate security. It describes the securities of a number of Canadian public utility, power, pulp and paper, and other corporations

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Canada

KING EDWARD HOTEL HAS SMALL SURPLUS

Net Earnings Slightly Higher, While Gross Revenue Was Smaller Than in 1924

Net earnings of the King Edward Hotel Company for the calendar year 1925 show an improvement over the previous year although gross earnings were smaller. After the payment of all charges the company was able to show a small surplus on the year's operations in comparison with a deficit in 1924. The net profits for the past year amounted to $16,539 after payment of operating expenses, taxes, depreciation, bond and mortgage interest, and interest on debentures, Series A and B. This compares with a loss of $12,222 during 1924.

It was pointed out in the address of the president, Frank A. Dudley, that the increase in net was not due to increased business, since gross earnings show a falling off of $62,895 but was due to the most careful management and supervision of all expenditures. Net profits added to the debit balance brought forward reduced the debit to $157,615.

Discussing the business of the year it was stated that the percentage of rooms occupied during the year was 59.6, as compared with 60.7 per cent. in 1924, June being chiefly responsible for the falling off. This was due to the large number of conventions held in June, 1924. It is thus indicated that the hotel is equipped to handle a much larger volume of business at little additional cost, if such were obtainable. The restoration of more normal business conditions, the gradual improvement in motor roads and the efforts of the management to obtain additional tourist business, conventions and other new business are expected to make a material improvement in 1926.

The balance sheet of the company shows current assets of $238,408 as against $425,716 for 1924, and current liabilities of $299,708, as compared with $304,946 the previous year. The working position is therefore less favorable. Accounts payable stand at $164,092 and accrued and unclaimed interest at $116,025. Cash on hand amounts to $130,797 and amounts receivable, $70,450. Depreciation reserve is carried at $434,356 and goodwill at $160,524.

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CEMENT WAR BRINGS WITH IT FOOD FOR INVESTMENT THOUGHT

(Continued from page 1)

ed from the figures of Quebec consumption.

However, it might be safe to assume that sales in Quebec this year will be around 3,000,000 barrels; it seems apparent that, should the cut be maintained for 12 months, the Canada Cement Company stands to lose in the neighborhood of $1,000,000. This, of course, is without taking into account the increased production in the province by the National Cement, which will undoubtedly affect the company.

Does Not Reflect Earnings

For the year ending December 31, 1925, total profits of the Canada Cement Company amounted to $2,036,547, against which were charges of $1,946,570 for dividends and various reserves. But it would be an unwise investor who would immediately come to the conclusion that the results of the price war are going to endanger "Cement's" dividends. The latter would be most unlikely in view of the company's extraordinary strong financial position, and because profits as shown on the balance sheet reflect conservative bookkeeping rather than the actually demonstrated earning power of its assets, so that it cannot necessarily be assumed, even presuming a reduction of $1,000,000 in earnings, that the full amount would show in the profit and loss account.

The Province's Capacity

The Montreal, East, mill of the Canada Cement Company has a capacity of 3,000,000 barrels per annum; this is the only mill which is operated in Quebec at present. National Cement plant has a capacity of 900,000 barrels per annum. It is interesting to compare these figures with last year's sales in Quebec of 3,365,802 barrels. Further, it is anticipated that there will be considerably more construction in Quebec during the present year; if that be so, it would seem that there would be room for the operation of both companies, but, on the other hand, Canada Cement has plants which are, and have been, idle for many years. The attitude of the management of "Cement" would probably be that, before any other plants are built in Canada, they would be entitled to bring into operation these older plants which have been closed down.

As the cut in price affects only the province of Quebec, it brings up the question whether or not the National Cement Company will not immediately begin shipping into Ontario, where the higher prices will offset the higher freight rate.

Looks Like Long War

In the meantime some investors are rather worried about the outlook. Unless some agreement is arrived at between the two companies, there would seem to be the prospect of a long "war," with its consequent loss to shareholders. At present prices, it is said that the National Cement Company can meet its fixed charges, and, while it has not the financial strength of its competitor, there seems little hope of either of the contestants giving up the struggle. This can be the more appreciated when the strength of the new National Cement board is recalled.

JOINS H. R. BAIN & CO.

Announcement is made by H. R. Bain & Co., Toronto investment house, that Major S. H. Fellowes, M.C., has joined the organization. Major Fellowes, following four years' war service, during which he served three years in France, was A. D. C. to Sir John Gibson. He has had extensive experience in the industrial field, being latterly associated with John Greey & Co.

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News of the Investment Market

TAX-FREE ISSUES ONLY WEAK SPOT IN BOND MARKET

Discount Bonds Have Technical Advantage Over Those Bought Above Par

Before this issue will have left the press the public will be apprised of what changes the Federal Government is making in the income tax, and it will then be evident whether there was any justification for the recent weakness in tax-free Victory bonds. This is the big feature, and, in fact the only feature, of the bond market at the moment, and the action of these issues in the next few days will be determined by the impending decision. This is about the only indication of weakness in the entire market. Other government issues as well as high grade corporation bonds are in active demand. The recently floated government issue has not sold as well as was anticipated.

Bonds in the New York market have been affected to some extent by the stock market decline, but this has had no effect upon the Canadian market. The decline that did take place there was almost entirely confined to the corporation issues. The Dow, Jones index of 40 industrial bonds receded slightly but is still above the level of any part of 1925. Certain industrial issues were chiefly responsible for the weakness. Some of the railroad bonds lost slightly. Public utility bonds receded slightly during the crash in the markets but have since gained more than they lost. Altogether the recession has been very slight, being only about one-third of a point on the average. A gradual strengthening is expected during the balance of the month.

Discount Versus Premium Bonds

Discussion often arises on the part of bond buyers as to the respective merits of discount and premium bonds, or bonds selling below and above par, respectively. An interesting comment on this problem is made by a correspondent of the Wall Street Journal:

As to the mathematics of the proposition: The increment of a 10-year 4 per cent. bond, bought on a 5 per cent. basis, is $477.95, equal to 5.18 per cent. of its cost. The similar increment of a ten-year 6 per cent. bond is larger to be sure, $522.05, but this figure is equal to only 4.84 per cent. of its cost. So the discount bond wins after all.

In these few instances where bonds of the same issue are outstanding with different coupon rates the bond with the lowest rate usually gets exactly the same treatment in a reorganization as the bond with the highest coupon rate.

For the investor who buys only bonds, the discount is an important insurance against occasional losses. If he buys only bonds selling at, or above, par, his occasional and inevitable losses, plus the amortization of premiums, will surely produce a shrinkage of his capital over a period of years.

"While institutional investors may amortize the premiums on their large bond holdings by book entries, as a practical matter the small investor—or even the man who buys bonds in $10,000 blocks—cannot handle his amortization in this way. Suppose he buys a 10-year, 6½ per cent. bond—Western Union debentures, for example—at 112. That is a 4.96 per cent. basis. A year hence his bond will be worth 111.07. Theoretically he has taken $9.30 out of the two coupons he has cashed and invested that sum at 6½ per cent. Now, where can one invest $9.30 or $93 at 6½ per cent.?"

Bathurst Company Will Increase Power Facilities

MONTREAL.—The bills incorporating the Nepisiguit Power Company and the Nepisiguit Storage Company passed the committee stage of the New Brunswick legislature this week. These two companies are subsidiaries of the Bathurst Company and are being incorporated to regulate and control the flow of the Nepisiguit River by the erection of dams, and also for the development of additional 22,000 horsepower for the extension of the Bathurst Company plant at Bathurst, N. B. The bills will probably be passed this week; they provide for the incorporation of two subsidiary companies with a total authorized capitalization of $6,500,000, of which $5,000,000 is for the new power company.

Saskatchewan Wheat Pool Purchases Co-op. Elevators

REGINA.—The acceptance of the Saskatchewan wheat pool's offer to purchase the grain-handling facilities of the Saskatchewan Co-operative Elevator Co., involving assets of $10,000,000, including approximately 500 line and terminal elevators, is regarded favorably among the province's agriculturists in general, but members of grain firms outside the pool have so far withheld comment.

The offer of the wheat pool to purchase the Co-operative was the outcome of lengthy agitation on the part of pool contract holders and shareholders of the Co-operative. In some instances, shareholders of the company have been prominent in wheat pool circles and in forming the policy of the farmers' selling agency.

GREATER ACTIVITY AT ST. JOHN

SAINT JOHN.—Greater activity was manifested at the port of Saint John during 1925 than in the previous year, figures issued by the harbor master show. During the year 413 steamers arrived and cleared for foreign ports, as compared with 299 in 1924. The total overseas tonnage using the port was 1,207,805, as against 787,301 in 1924. Cattle shipments totalled 7,363 head, compared with only 1,407 in 1924. Grain shipments of 348,810 tons represented an increase of more than 110,000 tons.

ALBERTA'S BIG FUR HARVEST

EDMONTON.—The final figures for the revenue from game and fur taken in the province during 1925, made available through the office of the game commissioner of the Alberta department of agriculture, show that the total revenue was about $2,500,000, instead of $1,500,000 as first estimated.

Western Canada Flour New Issue is Now Ready

Pending the listing of the new issue of Western Canada Flour on the Toronto Exchange, the old shares have been temporarily withdrawn from the list. The new stock is ready for delivery this week and is being placed on the market at $99 per share which represents a yield of 6.56. The new issue was made in connection with the refinancing and retirement of certain funded obligations, details of which have already been outlined in these columns.

When the present recapitalization of the company is completed, there will be outstanding $2,500,000 in preferred stock and 86,250 shares of no par value. The company also reserves the right to issue $500,000 additional preferred stock on the same basis as the issue outstanding.

CONSUMERS GAS ISSUES FURTHER STOCK TO HOLDERS

To Take Care of the Expansion of the Company's Services

To take care of the constant expansion and growth of a great public service the Consumers Gas Company of Toronto is arranging for additional financing to the extent of $2,000,000. General Manager Arthur Hewitt explains to The Financial Post that the new capital will be used in taking care of the program for new mains and increasing output to take care of constantly increasing demands and should be sufficient for these purposes for the next couple of years. New mains alone will take about $500,000 of the total. The growth of the industry is a constant reminder of the constantly increasing use of gas for domestic and industrial purposes despite the growth also of the consumption of electricity. Mr. Hewitt sees in the industry great possibilities for the future—demands by the public for fuel in modern forms which will absorb everything that the gas companies, the electric companies and the oil companies will be able to supply. In the opinion of Mr. Hewitt there can be no saturation point in this field so long as efficient methods enable the public service companies to keep their prices on a comparatively attractive basis.

The total capitalization of the Consumers Gas Company will now be increased from $10,000,000 to $12,000,000. Following is a summary of the various steps by which the capital has been increased to its present proportions from $1,000,000 in 1887:

Capital Stock

Date sold	Amount	Aver. price realized
Previous to 1887	$1,000,000	$100
July, 1887	200,000	180.32
July, 1889	125,000	176.60
August, 1889	175,000	175.10
April, 1891	100,000	168.25
October, 1893	100,000	183.04
October, 1900	50,000	215.47½
May 28, 1903	50,000	209.16
November 4, 1903	100,000	192.86
June 29, 1904	100,000	200.00
Dec. 6, 1904	250,000	210.00
April 3, 1906	250,000	200.75
June 6, 1907	300,000	190.66
Dec. 12, 1907	450,000	180.44
Jan. 19, 1909	250,000	203.91
April 4, 1910	500,000	199.99
April 18, 1911	384,500	192.64
June 26, 1913	340,500	166.84
Dec. 15, 1913	157,000	161.96
Allotted May 21, 1917	478,700	at 160.00
Sold by tender Jan. 5, 1921	639,300	758.983
Allotted Feb. 3 1923	2,000,000	at 135.00
*Allotted Feb. 3, 1925	2,000,000	at 140.00
To be allotted June 23, 1926	2,000,000	at 150.00
	$12,000,000	

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*Rights to subscribe expired March 21, 1925. $70 per share was payable April 1, and July 2, 1925.

The new stock to be issued will be offered to the present shareholders at 150, which compares with a present market around 175 and a high for the present year of 184. Stockholders will be given the apportunity of taking one share on the basis for each five shares now held.

Stockholders must signify their intention of subscribing for the stock by June 23rd, and payment must be made in full on or before July 2, 1926. No fractional shares are to be allotted but shareholders may assign their rights for full shares by notifying the company in writing.

General Manager Arthur Hewitt in his letter has the following to say in part:

"All shares allotted shall, from and after payment of the purchase money, participate in dividends declared after the date of payment of the purchase money.

"All of the allotted shares which are not accepted on or before the 23rd day of June, 1926, by the shareholders to whom the allotment has been made, or the assignee of such shareholder, if any, or which the shareholder or the assignee of such shareholder declines to accept, together with such shares as remain unallotted because of the provision that no fraction of a share can be allotted, may be offered for sale to the public in such manner and on such terms as the directors prescribe, or may be included in any subsequent allotment to the shareholders."

NEW BOND HOUSE FORMED

A. B. D. Bruce, formerly a partner in the investment house of Housser, Wood & Co., announces the formation of A. B. D. Bruce & Co., with offices at 6 Jordan Street, Toronto. The new company will deal in government, municipal and high grade corporation bonds.

INCOME TAX EVASION

How Windsor and similarly situated municipalities along the border will be enabled to collect municipal income tax from residents of Detroit who obtain their income on the Canadian side will receive the attention of the statute revision committee of the provincial government. It is stated that large numbers of the higher income group take this method of evading the municipal income tax and that the amounts involved are large.

Investment Bankers' Convention at Quebec

NEW YORK.—Frederick R. Fenton, executive secretary of the Investment Bankers' Association, announces that the fifteenth annual convention of the Investment Bankers' Association of America will be held in Quebec at the Chateau Frontenac, the week beginning October 11.

This is most delightful news to the members of this organization and friends who will be in attendance. A more attractive place could not have been selected. In order to obtain first-hand information on facilities offered at Montreal and Quebec, the executive secretary, Mr. Fenton, and the director of publicity, Harry Rascovar, visited both cities, and in conference with J. H. Gundy, the Canadian governor, and J. A. Fraser, a former vice-president, it was decided to hold the convention in Quebec.

"The selection of Quebec is in line with the established policy of holding meetings in various sections of the country in an effort to familiarize the members with social, industrial and economic conditions," said Mr. Fenton in speaking of the plan. "While it is true a different flag hangs from the standards in Canada, it is equally true that the interests of the United States and Canada are closely interwoven. There may be tariff barriers, but those barriers do not exist in the relations of the investment bankers of Canada and the United States."

Higher Price Paid for Glace Bay Bond Issue

SYDNEY.—That financiers have faith in the future of the Cape Breton coal industry in spite of the depression of the past few years is the meaning taken here from the action of W. L. MacKinnon & Co., of Toronto, in purchasing a new $100,000 bond issue of the town of Glace Bay at 96. The last preceding issue was taken up by the same firm at 95. In view of the fact that town bonds in the past have sold as low as 85, the council feels well satisfied with its bargain.

Canadian Canners, Ltd.
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PROMOTE TOURIST FLOW FROM OHIO THROUGH TORONTO

Cleveland and Ontario Folks Working Out Summer Campaign

Canadian provinces will this year clip further coupons from their investments in good roads. Definite forecast of increased tourist trade for Canada, particularly of automobiles, is contained in a number of straws, which show that the tourist wind is blowing in a northerly direction.

For instance: of all inquiries received at the Cleveland Auto Club as to roads and routes and resorts, over half ask for information as to spots to visit in Canada and how to get to them. The motorists explain to the officials that they want a place where they will have to cover themselves with a blanket when they go to sleep at night.

From other United States sources, in close touch with tourist traffic, come statements that the rebound from the Florida boom will send thousands to Canada this year.

Organize Canada Day

A group of Cleveland and Ontario people are working to direct this year a large flow of Clevelanders to Canadian resorts. The Cleveland people are in some cases ex-Canadians, part of the group of 40,000 Canadian born citizens of the fifth city of the United States; in other cases, they are Americans, who have for many years been coming to Canadian summer resorts. There is a well organized Canadian sentiment in Cleveland; the city has a Canadian Camp-Fire Club which meets throughout the winter; it is the home of Morris Ackerman, an authority on Canadian fish and game, whose column is syndicated to 5,000 papers across the continent and who gives talks on Canadian playgrounds. An attempt is now being made to organize a Canada Day in the city.

Cleveland then is ripe for a Canadian tourist drive and this is the object of a small group of Toronto and Cleveland men who are now working out plans to capitalize this interest in Canada's favor. A party of Cleveland business men slipped over to Toronto for a day last week and met the heads of Toronto and Ontario community organizations to talk over plans. A return visit will be paid to Cleveland next week by a Toronto group when they will be guests of the city and the Chamber of Commerce, on "Cleveland-Toronto" day.

May Sell Ontario Land

One feature of the plans, which is likely to develop into some tangible scheme, is said to be the sale of summer properties in Northern Ontario to Cleveland people. One report has it that a group headed by Ackerman has obtained control of 40,000 acres in Haliburton County, which will be made the basis of a Northern Ohio colony, while other blocks of land in along the T. and N. O. Railway have also been secured.

UNLISTED BONDS

(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	101½	102½
Algoma Steel 5% 1962	29	29¾
Belding 5% 1936	88	..
Belgo Can. Paper 6% 1943	99¼	100½
Brand-Henderson 5% 1939	90	..
Burns, P. & Co., 6½% 1943	102⅞	104
Can. National Rly. 5% 1954	101	101⅞
Calgary Brewing 5% 1942	83	..
Can. Steamship Lines 7% 1942	103¼	104¼
Can. Pacific Rly. 5% 1934	99½	100¼
Can. Pacific Rly. 4½% 1944	93½	94⅛
Can. Steel Foundries 6% 1936	102	..
Dom. Iron 5% 1939	..	59
Dom. Textile 6% 1949	106½	..
East. Koot. Power 7% 1942	103¼	..
Frontenac Brewing 6% 1951	96½	..
H. Smith Paper 7% 1941	100	100¾
Laurentide Power 5% 1946	99¾	..
Laurentian Power 6% 1936	100¾	..
Man. Power 7% 1941	104⅞	..
Montreal Steel Works 6% 1940	100	..
Prov of Ontario 5% 1948	101	101⅞
Ontario Pulp 6% 1931	107	..
Price Bros. 6% 1943	101⅝	102⅜
Quebec Power, 6% 1953	103¼	104
Walmsley, Chas., 6% 1043	96⅞	97⅞
Winnipeg Elec. 6% 1954	96½	96¾
Sherbrooke Rly. 5% 1940	80	..
St. Law. Sugar 6% 1932	92	..
St. Maurice Power 6½% 1953	108	109

The Foreign Exchanges

Conducted by S. J. ZACKS.

U. S. funds were traded in at 5/32 per cent. discount, a new low for the year and just a trifle above the gold export point. The disappearance of purchases for Canadian government account is an important factor making for the strong demonstration of Canadian funds.

The Belgian franc has reacted somewhat from last week's close, based largely on Finance Minister Jansen's statement that while prospects for Anglo-American loan negotiations are more hopeful, yet direct negotiations have not yet begun. Fluctuations in both French and Belgian francs on the whole have been narrow. Views on the French situation are decidedly conflicting. Some are optimistic, being favorably impressed with the improving prospects for a balanced budget now that the Briand Ministry has weathered the storm.

Yet can one overlook the Socialistic character of the legislation which is bound to impede business and make the collection of the actual impositions difficult. Furthermore the treasury which lately has been offering foreign currencies in order to support the franc has withdrawn support. The new tax has dealt a particularly heavy blow to trading on the Bourse, which owing to high taxes, has made it impossible to trade in some stocks. The buyer of 100 shares of DeBeers stock, for instance, will pay 2,180 francs in tax and brokerage, between purchase and sale. Whether the increase in the French import tariff to 30 per cent. will help her or not is difficult to foresee. Italian exports to France have been dealt a serious blow and reprisals are threatened. At present, with a declining franc. France is doing an excellent export business, and no unemployment exists.

There has been much discussion of a return to parity ($.4985) of the yen this summer after the export season begins. Speculative holdings of the yen throughout the world are estimated at 150,000,000. Credits resulting from international balance payments will, however, be sufficient to offset the substantial withdrawal resulting from parity.

The fact that Bank of England gold imports are slipping has become an increasing cause of worry. The Bank of England still requires approximately £10,000,000 of gold to balance its foreign gold transactions for the period since the gold standard was restored about a year ago. The present is the time that the seasonal flow of gold to London might be expected. The lessened influx would not be serious, were there not a danger of an outflow this autumn, especially in view of a possible tie up consequent upon the coal strike.

NEW YORK FUNDS

	High	Low	Last year High	Last year Low
April 8	1-32	x1-64	3-32	1-16
April 9	x1-64	x1-32	3-32	1-16
April 10	x1-64	x1-64	1-16	1-16
April 12	Par	x1-32	....	....
April 13	x1-32	x3-32	....	....
April 14	x7-64	x5-32	5-64	1-16

xDiscount.

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
April 8	4.85⅞	3.46½	4.02⅛
April 9	4.85 15/16	3.41	4.02⅛
April 10	4.85⅞	3.43½	4.02⅛
April 12	4.85 13/16	3.43¼	4.02⅛
April 13	4.85¾	3.44	4.02¼
April 14	4.85⅝	3.42¼	4.02¼

FOREIGN EXCHANGE

Par		Close April 7	Close Apr. 14
19.30	Italian	4.02½	4.02
23.82	German	23.81¾	23.77
32.45	Brazil	13.84½	13.81
19.30	Belgium	3.91	3.76½
49.85	Japan	46.20	46.46½

DICTAPHONE CORPORATION

NEW YORK.—William C. Breed, of Breed, Abbott & Morgan, has been elected a director of the Dictaphone Corporation. President C. K. Woodbridge reports that in the first quarter of the year sales for 1926 exceeded last year by 32 per cent., and that the accrued net profits for the first three months are sufficient to provide for the full eight per cent. dividend on the preferred stock of Dictaphone Corporation for the entire year of 1926.

BOND MOVEMENTS OF THE WEEK

Week Ending April 13

Bonds—	Int. Rate	Due	Yield	Range. 1925 High	Range. 1925 Low	Range, 1926 High	Range, 1926 Low	Ask	Latest Price Bid	High	Low
Can. Canners	6	1950	6.42	96¼	90	95½	94	95	94¼	94⅞	...
Cons. Rubber	6	1946	5.82	101	95	102	101⅜	102	...	102	101¾
Montreal Tram.	5	1941	5.21	98	94⅞	98½	97¼	97¾	97	97¾	...
Do. (A)	5	1955	5.34	98¾	92¾	95	92½	93½	...	95	93¼
Quebec Rly.	5	1939	5.67	98	89¾	95	91⅞	95	94	94	...
Sher-Williams	6	1941	5.51	104	101¼	106	105	...	105	105	...
Steel of Can.	6	1940	5.35	106	103	107½	106	107½	106	106½	...
Wayagamack	6	1951	6.48	98¾	84¾	97¾	92	93¾	...	94	...
War Loan	5	1931	4.70	102.65	101.10	102.40	101.25	101.65	101.60	101.45	101.35
Do.	5	1937	4.60	104.95	103.80	104.65	103.40	104.00	103.75	103.80	103.40
Victory	5½	1927	4.80	103.15	101.70	101.75	101...	101.65	101.50	101.45	101.00
Do.	5½	1933	4.62	107.00	105.10	106.80	104.65	105.10	104.90	104.95	104.65
Do.	5½	1934	4.85	104.80	103.20	104.10	103.10	103.66	103.55	104.00	103.45
Do.	5½	1937	4.56	110.00	108.15	109.30	107.35	107.75	107.60	107.90	107.35
Do., Refund	5	1928	4.67	104.45	100.15	101.30	100.55	100.65	100.45	....	....
Do.,	4½	1940	4.87	97.25	92.00	96.70	95.70	96.20	96.05	96.20	95.70
Do.	5	1943	4.85	102.90	101.15	101.95	101.15	101.65	101.50	101.75	101.60
Do.	4½	1944	4.82	97.75	96.20	97.15	95.85	96.20	96.05	96.00	95.85
Do. Renewal	5½	1927	4.80	102.95	100.80	101.95	100.65	101.15	101.00	101.20	100.90
Do.	5½	1932	4.95	104.20	102.60	103.40	102.15	103.10	102.90	103.10	102.55

WEEKLY RECORD OF CANADIAN FINANCING

Place Bond Sales—	Date	—Sold To— Municipal	Rate	Maturity	Amount	Price	Yield
Three Rivers	Apr.	Mead & Co.	5%	Serial	$380,000	97.77	...
Shawinigan Falls	Apr.	McLeod, Young, Weir & Co.	5%	Serial	373,000	98.85	...
Esquimalt District	Apr.	R. F. Castle & Co.	5%	1936	12,000	98.54	5.20
North Vancouver District	Apr.	Victor W. Odlum & Co.	5½%	1946	80,000	103.17	...

Municipal and Provincial Finance

Costs of Public Education Have Risen Enormously

Absurd Ideas of Local Pride Often Lead to Building Far Beyond Municipalities' Means — Taxpayer the Loser

The enormous annual rise in the costs of education in Canada and the United States is the subject of increasing anxiety on the part of many. Elimination of the wastes involved in the annual expenditure of $2,000,000,000 on public school education in the United States is the keynote in the recently appointed National Commission on Economy and Efficiency of the Business Administration of School Systems. It is the unanimous opinion of the members of that commission that although the American people have faith in their public school system, the cost has become so great that approval of continued rapid expansion along present lines is by no means unanimous. There is an insistent demand for the adoption of the fundamental principles of good business management in the administration of all school systems. It is felt that while the taxpayers are ready and willing to meet the present annual bills, they will only agree to any considerable increase in those bills if they can be assured that the money is being expended wisely and effectively.

In certain of the Canadian provinces the costs of education have risen with alarming rapidity during the past decade, more than doubling in a number of cases. A statement of the costs per pupil in the various provinces for the period 1911-24 follows:

Canadian Publicly Controlled Schools: Cost per Pupil enrolled, by Provinces, 1911-24

Year	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.*	Sask.*	Alta.*	B.C.
1911	$ 9.49	$12.89	$12.75	$16.55	$23.26	$42.46	$40.39	$....	$53.42
1912	13.92	13.28	13.34	17.55	25.50	....	54.02	....	74.39
1913	11.10	14.13	13.52	23.25	27.96	50.18	60.93	40.19	81.19
1914	12.06	14.63	14.11	19.36	32.81	49.70	59.27	46.43	74.81
1915	14.11	15.24	14.71	24.35	29.74	48.11	....	44.69	60.96
1916	13.24	14.84	15.70	25.30	28.57	43.60	....	44.09	49.81
1917	13.81	16.08	15.90	28.49	29.74	38.80	....	45.39	49.72
1918	14.43	17.29	18.50	29.38	31.43	44.16	52.12	46.81	52.12
1919	16.25	19.60	21.54	32.58	38.73	46.34	60.79	52.89	58.73
1920	17.87	25.00	24.09	36.00	47.57	54.09	71.07	58.06	69.03
1921	20.80	31.44	30.91	40.35	54.31	74.48	73.08	61.24	78.32
1922	21.21	31.92	34.17	42.02	63.25	79.62	70.03	60.28	80.35
1923	23.17	30.42	33.96	43.98	66.00	71.71	68.90	56.74	74.85
1924	26.03	32.18	34.32	....	....	61.73	....	....	79.57

*Excluding money borrowed by note.

While the costs have risen more rapidly in some provinces than in others, as is evident, the tendency is the same, and the responsibility is divided over elementary and secondary schools.

The rise in these educational costs is not alarming when compared with the general rise in the cost of living. Until recently teachers' salaries were ridiculously low, and it can only be assumed that the quality of teacher was more or less in keeping with the type of salary paid. It is not so long since teaching in Canada was considered a fit calling for incapacitated ex-soldiers who had little or no training for the work. Their stipend was just sufficient to ward off starvation. With the advance of every other branch of activity, it is only natural that these pioneer conditions should pass, and that a higher grade of teacher should be demanded. Accordingly, the teachers' training courses were gradually lengthened, and more severe requirements imposed. There are few of intelligence who would make complaint in regard to this phase of the matter.

There are two points at which a saving may be effected. One is a lack of supervision and co-ordination in certain places. The fact that the United States authorities saw fit to appoint a commission to look into the whole system with a view to the elimination of wastes shows that there was evidence that wastes existed. Parts of Canada, British Columbia for example, have instituted educational surveys for the same end. In some sections supervisors have been appointed for just this purpose, and in some of our cities commissions have been appointed over all schools within a certain area. By this method much has already been accomplished.

But something rather more serious is a practice prevalent in parts of Canada, of building tremendously elaborate schools — putting the taxpayers' money into brick and mortar. No fault could be found with the building of good substantial schools, but there is much fault to be found with a municipality building a school far beyond its means or its need, merely through some sort of local pride. An Ontario municipality recently made the boast that their schools would last one hundred years. The folly of this is obvious. It is safe to say that this building will be obsolete in one-third the time or less. The taxpayers' money in such cases has been utterly wasted. Certain cities such as Winnipeg have realized the wastefulness of such a policy and are erecting schools at a cost of around $7,500 per room in comparison with a much larger figure in some other municipalities less fitted for heavy expenditure.

The conclusions are two. One is that the costs of education should be expected to rise rapidly, as the country advances. The other is that there are frequently wastes in these costs which should be eliminated by some central organization which is in a position to make comparisons and suggest policies.

Tenders and By-Laws

April 19, South part of the Township of Onslow, Que.—$20,000, 5 per cent. serial debentures. J. A. Steele, sec'y-treas.

April 21, School Commission of the Town of Montreal East, Que.—$70,000, 5 per cent. serial bonds. Remi Guertin, sec'y-treas.

May 7, Peel County.—$70,000, 5%, 10-instal. debentures. L. H. Willis, county clerk, Brampton. (See announcement elsewhere in this issue).

April 27, Town of Donnacona, P.Q.—$11.500, five per cent. serial bonds. P. Chalifour, sec.-treas.

This Week's Bond Sales

THREE RIVERS ISSUE

An issue of $380,000, City of Three Rivers, five per cent., serial bonds, has been awarded to Mead and Co., at a price of 97.77. Of this issue, $360,000 mature serial, 1927 to 1954, and the balance or $20,000 from 1927 to 1925. Bids were as follows:

Mead & Co.	97.77
McLeod, Young, Weir & Co.	97.75
Dyment, Anderson & Co., and Cochran, Hay & Co.	97.18
Rene T. Leclere, Inc.	96.26
Normand & Halain	96.25
Versailles, Vindricaire & Boulais	95.43

SHAWINIGAN FALLS BONDS

McLeod, Young, Weir & Co. have been awarded an issue of $373,000, City of Shawinigan Falls, five per cent. serial bonds at a price of 98.85. The bonds mature serially as follows: $117,000 from 1927 to 1950; $210,000 from 1927 to 1942, and $44,000, from 1933 to 1950. The bids were:

McLeod, Young, Weir & Co.	98.75
Wood, Gundy & Co.	98.81
Dyment, Anderson & Co., and Cochran, Hay & Co.	98.65
Mead & Co.	98.39
Versailles, Vindricaire & Boulais	98.00
A. E. Ames & Co.	97.51
Rene T. Leclerc Inc.	97.21

U.S. ACTS QUICKLY TO STOP IMPORTS OF OUR PRODUCTS

(Continued from page 1)

goods are being dumped into Canada and yet we can not sell a dollar's worth over there."

The Financial Post learns of another case in an allied field illustrating the same feature of the comparative tariff methods of the two countries. One of Canada's largest manufacturers of men's neckwear built a healthy business in the United States and looked to have a million dollar market in his grasp. But before he had been long at it, the duty on his line of neckwear was raised from a moderate amount to 90 per cent. and his market was cut off over-night. Yet he is competing in Canada against American and British neckwear.

How Flexible Tariff Works

The operations on the United States Tariff Commission, which controls the so-called flexible tariff, were described in some detail in an article in The Financial Post of February 12 last. Briefly the commission is authorized to investigate any circumstance or complaint that seems to indicate that the prevailing tariff on any line of goods is not giving sufficient protection to the American producer. It then makes its recommendations to the president, who is permitted to increase or decrease the tariff within certain limitations, these limitations not being very hampering in their scope. As will be seen in the case of the women's dresses mentioned above, it is possible to make the operations of the board govern even a single shipment, the procedure being to hold up shipment until the tariff board can make its investigation and then its recommendation to the president.

Investment and Speculation

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Municipality Responsible for Residents' Health?

OWEN SOUND.—The responsibility for the health of the community to which it supplies drinking water will be decided by the courts if an action already started on behalf of a group of citizens of Owen Sound comes to trial.

Recently there was an outbreak of typhoid fever here which some allege was due to local water supply, which had not been treated with chlorine. Victims of the outbreak take the attitude that their sickness was caused through carelessness by the municipality in regard to the water supply for which they pay adequate rates and which should be maintained at a safe standard of purity.

The case is one in which there will be wide interest in municipal circles as it involves an important point as to the responsibilities of municipal bodies in regard to standards of public services.

ALBERTA LOSES ON PEACE RIVER ROAD

Nearly Twenty Million Deficit Arises Out of Guarantee of Bonds

An indebtedness of $19,650,453 which is piling up at the rate of $850,000 a year is the result of the action of the Alberta Government in guaranteeing the bonds of the Edmonton, Dunvegan and British Columbia Railway. The government is not favorable to acceptance of either of the proposals to lease the road, made by the two transcontinental systems.

The proposal made to the provincial government by the Canadian Pacific Railway is on a basis of $60,000 a year with a guarantee of the prairie scale of rates which is now in force, the lease being for seven years. The offer made by the Canadian National was to take a ten-year lease, the province to pay half the fixed charges and to receive half profits after the charges were met. The National also offered to build an outlet from the Peace River district to the coast, when the area showed 10,000,000 bushels of exportable grain.

A statement made in the legislature by the Premier reveals the fact that the ownership of the common stock of the road by the Royal Bank of Canada further complicated the matter. This ownership leaves the province, as guarantor, the right of foreclosure with the power to lease, sell or operate the road, only with the approval of the bank, or alternatively, the right to buy out the interests of the bank, or to foreclose. The Royal Bank claims, it is stated, that its security ranks with that of the province, as there is no direct statement of the priority of bonds issued. The whole question is in doubt legally, according to Premier Brownlee. An offer had been made by the bank to sell out to the province at a sum between $1,000,000 and $1,500,000 but an agreement as to price had not been reached. The government made an offer of $1,000,000 but this was not accepted.

TEMPORARY LOAN FOR MONTREAL

The executive committee on finance of the city of Montreal has been sustained by the council in authorizing the board to raise a temporary loan of $11,000,000 for the needs of the city in anticipation of revenue.

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ONTARIO REVISES INSURANCE LAWS FOR UNIFORMITY

Various Changes Made at Legislative Session Just Concluded

The current session of the Ontario Legislative Assembly witnessed the introduction of four bills touching insurance matters. A private bill was passed validating the insurance business of the Ottawa Police Benefit Fund and authorizing its governing executive authority to make readjustment in its rates and benefits, to place it in a position to meet its contracts of insurance at maturity.

A third bill amending the companies act, exempting provincial joint stock insurance companies from provisions which prohibit a corporation increasing the amount of its authorized capital stock until ninety per centum of the authorized capital has been subscribed and fifty per centum paid up was passed. Finally, a bill sponsored by the department of insurance and designed to effect miscellaneous amendments to the Ontario insurance act was passed. The amendments to the general law affected by the latter act may be summarized as follows:

Trade unions having assurance or benefit funds for the benefit of their own members exclusively, are not required or entitled to be licensed as insurers.

Credit insurance is added to the classes of insurance that may be written.

The provision requiring evidence that foreign insurers have carried on business successfully for a period of at least five years prior to application for license, is repealed.

The superintendent is required to report any violation of the act by a licensed insurer to the minister, and the minister is authorized to suspend or cancel or refuse to renew the insurer's license.

Reciprocal or Centralized Deposits

The provisions of the 1924 act contemplating a provincial insurance company making a central deposit with the province in which its head office is situate, available for the policyholders in other provinces without further or other deposit, are repealed, and in lieu thereof provisions to the same effect approved by the association of superintendents of insurance of the provinces of Canada and first enacted in British Columbia, are substituted.

Mutual benefit societies are given the same powers as to holding land as are now vested in fraternal societies.

In order to remove doubts, it is expressly declared that an insurer licensed for the transaction of fire insurance may insure an automobile against loss or damage by fire under a fire insurance policy.

The term of a contract of automobile insurance is limited to one year—formerly three years.

A material change expressly prohibits an automobile finance or acceptance corporation or an automobile dealer or an insurance agent or broker, signing a written application for automobile insurance on behalf of an applicant. The effect of present statutory condition 1 is indicated more clearly by providing that "no statement of the applicant shall be used in defence of a claim under a contract unless it is contained in such a written and signed application."

Uniform Ticket Policies

The statutory notice required to be printed on such ticket policies is amended to make possible the issue of a uniform ticket policy in all provinces.

The premium tax on reciprocal exchanges is reduced one and one-third per cent., which is equivalent to the combined rate payable by other licensed insurers under the corporations tax act and the fire marshal's act.

The agents' fee of three dollars now fixed by statute for an agent's license will hereafter be prescribed by order-in-council. Until further notice there will be no change in the amount of the fee.

Salaried employees of fraternal societies who receive commission, will hereafter be required to apply for and receive an insurance agent's license.

Rates and Rating Bureaus

Rating bureaus and insurers are at present required to make a return under oath to the superintendent in such form and at such times as he may require, showing every or any schedule of rates fixed, made or charged by them. Hereafter at least ten days' notice of any change in schedules of rates so filed must be given the superintendent, and particulars of all changes duly verified under oath filed before the effective date thereof.

It is further provided that any rating bureau or insurer which fixes, makes or charges any rate or receives any premium which deviates from the schedules of rates fixed and filed with the superintendent for and the rules applicable to any risk or class of risks, shall be guilty of an offence.

The provisions respecting filing of rates, etc., have only been invoked by the superintendent with respect to automobile insurance. There is no present intention to extend its application, it is stated.

The superintendent is now authorized to investigate discrimination complaints "upon such information filed with him as the superintendent deems sufficient to justify an investigation." The effective date of any order made by the superintendent is reduced from thirty days to ten days.

Dominion Life Had 30% Gain in Sales in March

For March, the Dominion Life reports a 30 per cent. increase over the same month of last year, having written over $2,000,000 of business during the month.

On April 9, Thomas Hilliard, Dominion Life president and founder, celebrated his 85th birthday. Even at this great age, Mr. Hilliard is still active as an official and is to be found almost any morning in the president's office of the company in Waterloo.

Another branch office of the Dominion Life has been recently opened in Haileybury under the charge of J. D. Macdonald, who was for many years bank manager in that town and during the last three years a representative of the Manufacturers' Life. Associated with Mr. Macdonald in the work of developing the Dominion Life's business in the Timiskaming District is Terence Smith.

More Honesty in Business Shown By Record of Forgery, Fidelity Lines

Does the return of better business conditions mean a higher degree of business honesty?

Such is suggested by study of figures for 1925, covering those classes of insurance which touch most closely personal character. Apart from the improvement in fire losses, forgery insurance, credit insurance, fidelity insurance, burglary insurance, etc., all enjoyed much improved experience.

Fidelity premiums totalled $929,762 and losses only $374,595. Forgery insurance premiums were $27,341 and losses $6,072. Fraud insurance took in $15,415 and losses were $5,146. Surety premiums amounted to $1,018,389 and losses were $361,584. Burglary premiums amounted to $880,260 and losses were $375,701.

Insurance Problems

Insurance questions of general interest, submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Merchants Casualty

Banker, Saskatchewan.—I shall feel indebted for a report covering the financial standing of the Merchants Casualty Co., Waterloo, and whether in your opinion it is a safe company to insure with. It has been reported that they are a hard company to collect from. I shall also be glad to learn your opinion of the "Merco" policy which they are selling at the present time.

The Merchants Casualty Company is licensed under Canadian insurance laws and has made the necessary deposits with the superintendent of insurance at Ottawa to protect payments under its policies. It may be regarded as a safe company to insure with. Recently the company changed hands and is now in the control of a group of insurance men at Waterloo, Ontario, who have an excellent record and good standing. It may be that this circumstance may have something to do with removing any possible grounds that may exist for the criticism you have heard; that they are a hard company to collect from.

The Merco Policy, issued by the company, covering protection against accidents, sickness, etc., may be purchased with confidence.

Toronto Casualty Fire

J. S., Quebec.—Could you give me any information regarding the standing of the Toronto Casualty Fire & Marine Insurance Company? Also state if you would consider them a safe company to insure with. I am unable to find them listed in the superintendent's report for the year 1924, and presume they must be a new company. Any information you can give me in this respect will be greatly appreciated.

The Toronto Casualty Fire and Marine Insurance Company is not licensed by the Dominion Government, but operates under the control of the Ontario Department of Insurance and is licensed in the various provinces where it does business. For that reason you would not find it figures in the Dominion Insurance Superintendent's report.

However, the company comes under Ontario laws and is closely supervised by the Ontario Insurance Superintendent. It may be regarded as quite safe to insure with.

At December 31 last, the company had in force some $16,500,000 of fire insurance. The net premium income was $709,000 in that year and net losses $251,000. The total assets amounted to $581,825.

Metropolitan Paid 2,000 Claims in Single Day

Claims to the number of 2,034, for a total amount of $437,085, were paid by the Metropolitan Life on March 30 last. This was the greatest number of claims paid by this insurance company in any one day since the influenza epidemic in 1918, when on November 19, 1918, settlement was made for 3,052 claims. The cause of heavy mortality for March 30 this year, is attributed largely to influenza and its attending pneumonia.

A total of 7,789 claims for $2,058,528 was paid during the week of March 22, 1926. The daily average number of claims paid by the Metropolitan at present, is slightly over one thousand.

March Was Record Month for Monarch Life Company

March was a record month for the Monarch Life, this year showing an increase in new business of 50 per cent. over March, 1925. The total issued business at the end of the first quarter is 30 per cent. over that of last year.

Remarkable results were obtained in Ontario, that province increasing its March total 280 per cent. over March, 1925, and showing a gain for the quarter of over 160 per cent. British Columbia also shows a splendid increase for the quarter while Manitoba indicates better times there by coming through with a gain of 120 per cent. over last March.

The department of insurance at Ottawa has issued a license to the British Law Insurance Company to do business in automobile insurance in addition to the classes for which it is already licensed.

MADE IN CANADA FIRE INSURANCE BEING FOSTERED

C. M. A. Endorses Buying From Canadian Licensed Firms

"Made-in-Canada" fire insurance seems to be a live topic these days. The discussion takes two forms.

First it centres in the action of the Canadian Manufacturers' Association in suggesting to its members that they refrain from buying insurance from companies unlicensed in Canada.

On this subject, the Western Canada Insurance Club comments:

"For a number of years the Canadian Manufacturers' Association has been carrying on a campaign for the purpose of getting Canadians to buy produced-in-Canada goods, but at the same time some members of the association have been buying insurance from companies unlicensed in Canada.

"It is true of insurance that it can be bought more cheaply from companies who are not licensed in Canada for exactly the same reason as smuggled goods are cheaper than those which enter the country through the customs house; but aside from the question of price, a great deal of trouble has been occasioned by the fact that the Canadian purchasers of unlicensed insurance have not the security of deposits in the country held by the government for the protection of Canadian policyholders, In several instances, it has been exceedingly difficult to collect legitimate claims owing to the fact that companies carrying insurance being unlicensed in Canada have had to be sued in the states in which they were incorporated; and in other cases it was found that policies had been issued in companies which were not financially responsible and some of them had been in liquidation or actually out of existence years before the policies were issued.

"Through the activities of the Canadian Federation of Insurance Agents and its chairman, R. J. Wickham, the whole matter of unlicensed insurance has been thoroughly threshed out with the Canadian Manufacturers' Association, and they have issued a circular to their members which says in part, 'As a part of the produced-in-Canada campaign, your committee begs to direct the attention of members to the desirability of keeping their insurance in Canadian channels as far as possible.

"'The produced-in-Canada campaign urges Canadians to favor the products of the farms, factories, mines, fisheries and forests of their own country; to prefer their own transportation system in shipments of goods and Canadian financial and commercial houses for the transaction of business.

"'The insurance business has been steadily growing in keeping with other departments of Canadian activities. It represents a large investment and provides employment for many thousands of people.

"'Insurance inspection service in Canada in recent years has been made equal to the service rendered by outside companies. This service has been maintained by many insurance brokers and is entirely independent of the companies' inspection service.

"'As it seems consistent with the produced-in-Canada policy of the association, your committee respectfully suggests that members do all that is possible to assist in building up Canadian insurance.'

"This action on the part of the Canadian Manufacturers' Association is most praiseworthy and in keeping with the high ideals of the organization and the insurance fraternity most heartily appreciates this expression of co-operation as there is no question that if Canada is to grow and be prosperous, this end can only be accomplished by supporting Canadian industries, and there is no section of the community which practices more faithfully the doctrine of 'Buy at Home' than the insurance men.

"There is food for thought in the old slogan adopted by the Retail Merchants' Association: 'If I buy out of town and you buy out of town—what will become of our town?' and it has equal force when applied to Canada as a whole."

Second discussion revolves around the plea of many companies wholly Canadian in ownership and management that they should be given preference over companies licensed in Canada but owned abroad. On this matter, a current bulletin of the Toronto Casualty Fire and Marine Insurance Company states:

"In 1924, the last year of published record, over $73,000,000 in premiums were collected from Canadian fire and casualty policyholders by 229 companies, of which only 14 are purely Canadian companies operating with Canadian capital. These Canadian companies transacted only $6,573,000 in premiums, or 90 per cent. of the total.

"Canadian policyholders were taxed during 1924 approximately $2,200,000 on their premiums paid on fire and casualty insurance, an amount equal to more than 33 per cent. of the total business transacted by purely Canadian companies.

"Domestic companies in the life field are very strong and many companies, such as the Sun Life, Canada Life, etc., are household words the world over and, while a substantial life business is being transacted in Canada by British and foreign companies, nevertheless, purely native institutions remain in the ascendant and maintain a firm grip on the business of the country.

"This is still more true in respect to the banking situation where purely native institutions have a complete control of the banking situation. Loan and trust companies are similarly situated.

"In fire and casualty insurance, however, there remains to be done a great deal of work in educating the public in a movement to support native institutions and enable the Canadian companies to participate more largely in the $73,000,000 of home business available."

A license has been issued to the First American Fire Insurance Company, authorizing it to transact in Canada the business of fire insurance and tornado insurance. W. E. Baldwin, Montreal, has been appointed chief agent in Canada.

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W. H. GEORGE
Superintendent of Agents

THE
Western Empire
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON EDMONTON
CALGARY VANCOUVER

Northwestern Mutual Fire Association
SEATTLE, WASHINGTON
HEAD OFFICE FOR CANADA, HAMILTON, ONTARIO
THE NORTHWESTERN MUTUAL
Invests in Canada all surplus funds from its Canadian business.
Writing Fire Insurance at Cost. Assets $2,604,266.13.
Norman S. Jones, Manager for Canada. R. J. Mahony, Associate Manager.
All Policies dividend paying and non-assessable.

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$87,000,000.00
Policies Issued from $1,000 to $5,000
G. E. BAILEY, Secretary — W. H. HUNTER, President — ALEX. STEWART, Treasurer

FIFTY-FOURTH ANNUAL STATEMENT OF THE
ECONOMICAL MUTUAL FIRE INSURANCE CO.
ESTABLISHED 1871
KITCHENER, ONT.

For over half a century this well managed company has enjoyed the confidence of its members. Over twelve thousand new policies were written during 1925.

Total Insurance now carried under 26,436 policies—$45,141,960.

Government deposit, $100,000.

ASSETS	
Debentures	$575,501
Mortgages	506,677
Real Estate	60,000
Agents' Balances	19,322
Bank, Current	14,644
Bank Savings	6,831
Cash, Head Office	11,287
	$1,194,264
Accrued Interest	16,134
Net Premiums Notes	257,686
Total Assets	1,468,085
Balance over all Liabilities	$1,314,851
Liabilities not shown.	

OFFICERS
GEO. C. H. LANG, President.
L. J. BREITHAUPT, Vice-President.
W. H. SCHMALZ, Managing Director.
A. H. DEVITT, Inspector.

BOARD OF DIRECTORS
George C. H. Lang, George Pattinson
Louis J. Breithaupt, W. H. Schmalz
P. S. Lautenschlager, Hartman Krug
H. L. Janzen, Henry Knell
Carl Kranz

Large Toronto Firm Endorses Credit Insurance

Terry-Nicholson-Cates, Ltd., a large lumber company of Toronto, write us:

"We express our appreciation of the services rendered by your Service & Collection Department in connection with the recent bankruptcy case.

"After the creditors had been convinced that nothing was coming in the way of a dividend from this estate, you obtained a settlement of 40% on the dollar net for all creditors. This meant a saving of quite a sum to our company, which was indeed a pleasant surprise, as we freely admit that all hope of recovery had been lost."

Many other Canadian concerns are benefitting by our service, which fully protects their book accounts against abnormal or unexpected credit losses. Full information on request.

CANADIAN DIVISION
The AMERICAN CREDIT INDEMNITY COMPANY
of New York — J. F. McFadden, President
R. J. MULLEN, General Manager for Canada.
Toronto Office: 1702-08 Metropolitan Bldg. Phone: Main 4316
Montreal Office: Canada Cement Bldg. Phone: Lancaster 3258
K292

Metropolitan Life
Insurance Co.
The Company's Canadian Head Office is in Ottawa where its Canadian business east of the Rockies is transacted. Canadian premiums are received, Canadian policies issued and Canadian claims paid in Ottawa.
Head Office-Ottawa, Canada
Business Written in Canada in 1925....... $165,123,047
More than that of any other company.
Insurance in force in Canada, end of 1925. $833,544,780
Largest amount in force in Canada in any company.
Policies held by Canadians, end of 1925.. 2,215,742
Largest number in force in any company in Canada.
Paid Canadian Policyholders in 1925...... $ 8,540,178
Investments in Canada, at end of 1925....... $125,180,910
Invested in Canadian Government and Municipal Bonds.. $ 88,743,283

SUN LIFE ASSURANCE COMPANY
OF CANADA
HEAD OFFICE : MONTREAL
A BILLION DOLLARS
of life assurance in force.
Branches in all the larger centres

CLOSED!
on account of FIRE!
Your property loss may be fully covered by insurance, but what about the profits lost during rebuilding?
We have a policy that will completely indemnify you for profits lost and "overhead expense" received during the cessation of business following a fire.
The British America Assurance Company of Toronto
Established 1833

SAVINGS WITH PROTECTION
Insurance at minimum cost, increased dividends each year, generous indemnities for total and permanent disability—these are a few of the benefits provided by The Northern's 20-Pay Life Coupon Savings Policy.
This attractive policy *guarantees* substantial annual dividends in the form of coupons. You simply clip one each year and cash it with the Company. Or you may leave the coupons untouched—in which case the policy will be paid up in 15 instead of 20 years.
Ask your nearest Northern Life Agent about this attractive plan, or write our Home Office.
The NORTHERN LIFE
ASSURANCE COMPANY OF CANADA
LONDON, ONTARIO — ESTABLISHED, 1897

THE MONARCH LIFE
IS A
GOOD COMPANY
Provincial Offices: Toronto, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver, Victoria.

Current Events in Banking World

SAVING ON THE INSTALMENT PLAN IS LATEST IDEA

How Some American Banks Are Getting Share of Pay Envelope

In the United States where the instalment buying idea has become so popular there is developing a new idea—it is instalment saving. In a word, some of the more progressive banks, finding that the instalment collectors leave little in the pay envelope of their depositors, have put their own collectors in the field to get for the savings account a portion of the contents. In the following article, Margaret Dodge, who for the past three years has been combining missionary work on behalf of thrift with a practical follow up system which sees to it that the savings account gets its share of the pay envelope, tells something of her work.—J.W.T.

I am a saleswoman. My line is unique. I am employed by a savings bank in a great industrial centre to sell dollar-a-week salvation to workers in factories and shops.

The savings bank assures persons of small means freedom from worry, the fear of old age destitution, humiliating dependence on others. It prompts regularity of saving against the day of unemployment, disablement. That's what I mean by dollar-a-week salvation.

I do not pretend to know all the ins and outs of the banking business. Far from it. But one thing I do know, and that is the attitude of the men and the women at the benches toward dollar-a-week-salvation. I know it from three years' personal contact.

Dollar-a-week salvation first came into its own during the Great War. All kinds and conditions of men and women, through patriotism, bought bonds and thrift stamps on the weekly payment plan. Many of these persons had never before known what it meant to save money regularly. They got the thrift habit and they liked it. When the war ceased it was up to the savings banks, the financial pastors of the masses, to provide a means for continuing the good work.

When I entered the dollar-a-week salvation field, a field new and fraught with possibilities for a great business adventure, I found that there were no actual text books to guide me in my work. I wrote to a number of prominent captains of industry, who had specialized in war savings, to learn the mechanics of selling thrift in factories. But they could not help me. Conditions had changed, they told me. Once the patriotic necessity had ceased, their wartime savings plans had been discarded.

So far, so good. Then I must work out my own method for putting the dollar-a-week salvation idea across.

When I began the rounds of the various industrial concerns in the vicinity of the bank I found that there was even more to the proposition than mere change of conditions—the conditions that had prevailed during the war. A positive reaction had set in. I found myself battling against a strong ebb tide of sentiment.

To illustrate: One day I asked the vice-president of a shoe concern for his permission to introduce dollar-a-week salvation to his employees. He shook his head.

"My dear lady, I'd like to help you out, I would indeed. But to tell you the truth I don't dare let any outsider into my shop just now. We've been so over-run with war-workers that we're sick of it. My men are sick of it. I wouldn't dare to let anything in petticoats step inside that door. The men would walk out on me if I did."

Presently I got an interview with the vice-president of a big candy company. He listened patiently to what I had to say about bringing the dollar-a-week salvation idea to his people, drumming with his finger on the edge of the desk, absentmindedly, I thought. When I had finished talking he sat for a long time looking into space. But I saw vision in those eyes and knew I had won out. Presently, he told me I might talk to his employees the very next day.

That's how I got my start. To-day hundreds of men and women in the factories, who have been given the opportunity to embrace dollar-a-week salvation and all it brings in its beneficient wake, owe that big-hearted, far-seeing man a debt of gratitude.

DOMINION BANK

The Dominion Bank announces the following staff changes: D. McMillan has been appointed manager at Alberta Stock Yards branch, Calgary, and Thos. T. Rodger has been appointed to a similar position at Marquis, Sask. A. P. Duck has been appointed accountant at Victoria St. branch, Toronto, succeeding J. M. Harrow, who has been appointed accountant at St. Lawrence Blvd. branch, Montreal.

Tender for Debentures.

Sealed tenders addressed to the undersigned and marked "Tenders for Debentures" will be received until 12 o'clock noon, Friday, May 7th, 1926, for the purchase of $70,000.00 County of Peel Debentures bearing 5% interest and payable in ten equal annual instalments as to principal and interest, issued under the authority of By-law No. 662, to pay twenty per cent. cost of construction of Provincial Highways within the said County for the years 1924 and 1925.

L. H. WILLIS, County Clerk.
Brampton, Ont.

The Future of Branch Banking As Seen in the United States

Movement Gaining Ground Despite the Opposition of the Banks in Small Centres — Opinions Differ as to Benefits and Disadvantages

"The Branch Banking Question" is the title of a book by Charles Wallace Collins, published by the Macmillan Company, which describes the question as being among those most widely discussed in the United States to-day. Should banks be allowed to establish branches freely—either in the same city in which they are located or in other cities throughout the state?

Branch banking is on the increase in the United States, especially in the southern states and California, and the little banks in small cities are objecting to the establishment of branches of banks from the large cities. Some prominent bankers believe that the extension of branch banking makes for the welfare of the banking system as a whole, particularly in the light of the failure of several hundred of the small banks of the middle west during the last few years.

Mr. Collins evidently makes no attempt to decide the question one way or the other. His effort has been to bring together the various aspects of the problem. He has been inspired by the fact that there has been shown a lack of adequate information in the discussion which has taken place in the past four years. The great bulk of this information is technical, but the opening chapter has much of general interest, and from this the following excerpts have been taken.—J. W. T.

Perhaps the most important question of domestic banking policy before the country to-day is that of branch banking. To what extent, if any, should banks be permitted to carry on their business through the means of branches located at a distance from the parent bank? Around this question for several years past discussion has proceeded with increasing volume and intensity.

Branch banking is here amongst us flourishing with varying degrees of vitality in several States. Nearly one-half of the States permit branch banking in some form, and under certain limited and restrictive conditions national banks may operate branches.

Proponents of branch banking point to its many advantages over the independent unit system. It would be in line with the experience of every other commercial nation in the world, where branch banking has been the universal practice for many years. It has proven a success in the British Isles and in the self-governing British dominions under economic and social conditions very similar to our own. In Canada with an agricultural population no different from ours and subject to the same economic and climatic conditions, they point to the numerous bank failures in our Northwest while just across the border where the entire community of Western Canada is served by branches of banks located in Toronto and Montreal no bank failures occurred.

The failure of the Home Bank of Canada in 1923, with its numerous branches, was not caused by economic conditions in Western Canada but by dishonesty of the management.

Advocates of branch banking view the more than two thousand bank failures in the United States since 1920 as evidence of a fundamental weakness in our banking system which can be remedied only by the elimination of the small country bank, with its insignificant resources and inefficient management and its complete dependency on local economic conditions, and the substitution therefor of branches of the large city banks. This would insure safety to the public by virtue of the strength of the resources of the parent bank and the training and experience of its managing personnel. It would also, on account of its power to make larger loans, be able to accommodate through the service of its branches the legitimate borrowing needs of any customer. Should it become unprofitable to continue the operation of a branch in a community it could be closed without loss to any depositor, whereas the small neighborhood bank is at the mercy of a local economic depression, having of necessity all of its eggs in one basket. A branch is but an arm of the parent bank which has spread its credit risks over a wide variety of industries and avocations in various localities and is not dependent upon any one group for its resources.

Branch banking therefore, it is contended, would give the rural communities a superior banking service unattended by the dangers which face the small country bank, and would at the same time increase the liquidity of the financial resources of the State through the transfer of idle funds from one community for the purpose of financing the needs of another community as the occasion arose. Funds received on deposit from an industry as a result of the seasonal marketing of its products could be loaned to another industry to finance marketing operations just begun.

The friends of branch banking feel that it is a normal evolution of our banking system and is proceeding in accord with basic economic laws. That any attempt to stifle it by prohibitory legislation will cause it to break out in other and less desirable forms. The most formidable of these is chain banking where one person or group secretly controls, directly or indirectly through stock ownership, a large number of banks. These banks may be located in more than one State. Many opportunities are thus afforded to circumvent the spirit of the banking laws by making it difficult, if not impossible, to ascertain the true condition of the group of banks. Here it is pointed out, will be the evils which the opponents of branch banking attribute to it with none of the advantages claimed by the branch bankers.

While opponents of branch banking admit the possibility of the branch system adding elements of strength to the particular parent bank, they feel that the price which the community must pay for this efficiency is too great. The objections to branch banking therefore are chiefly those of public policy. It is contended for example that its inevitable tendency is toward a monopolistic control over the financial resources of the State.

THE MOUNT ROYAL HOTEL COMPANY, LIMITED

Notice of Annual General Meeting of Shareholders

Notice is hereby given that the Annual General Meeting of Shareholders of the Company will be held at the head office of the Company in the Mount Royal Hotel in the City of Montreal, on the 19th day of April, 1926, at twelve o'clock noon, for the purpose of receiving the reports of Directors and Auditors, electing Directors, appointing Auditors, confirming amendments and additions to the By-laws of the Company made since the last Annual General Meeting, and transacting such other business as may properly come before the meeting.

By Order of the Board,
D. H. McDOUGALL,
Secretary-Treasurer.
Montreal, March 31st, 1926.

Run on Cuban Banks Lasted But the One Day

From Our Own Correspondent.

MONTREAL.—Last Saturday there was a run on all the banks in Cuba including, of course, the branches of the Royal Bank of Canada. The false alarm was due, in part, to the nationalist movement which has long advocated the ownership of Cuban industrials and Cuban banks by the Cubans; the Spanish language newspapers have also opposed foreign interest on the island.

Last week a large group of cane growers who, owing to the low price of sugar, were experiencing hard times, asked the Cuban government to put through certain measures for their relief. Included in these measures was the demand for a partial moratorium. The government naturally could not comply with their demands, but some of the newspapers got hold of the report that there would be a moratorium and consequently many of the more ignorant farmers immediately thought that the banks would be allowed to suspend payment; hence the run.

The monies withdrawn consisted practically entirely of small savings accounts and in order to restore confidence, the Royal Bank of Canada kept some of its branches open until late in the afternoon paying all the depositors who came. In Havana, most of the excitement was over by 11 o'clock, for the President of the Republic, accompanied by the Secretary of Justice, with great ostentation made a deposit of $100,000 in the Royal Bank.

The President addressed many of the depositors who had gathered in the streets and his words had their immediate effect with most of the depositors in the capital. The whole affair was over in one day.

Staff Gossip

Fred Gunnell, formerly of the Bank of Commerce staff here, has been transferred from Fordwich to Caledonia, near Hamilton.—Herald, Dundalk.

* * *

John Mowat, formerly of Pictou, is in New Glasgow, acting manager of the Bank of Nova Scotia during the absence of L. Payzant.—News, New Glasgow.

* * *

W. W. Walker, who has been connected with the local branch of the Canadian Bank of Commerce, for the past six months, has resigned his position, which takes effect shortly.—Banner, Listowel.

* * *

Clarence McEachren, of the Gore and Herriott streets branch of the Bank of Montreal, has been transferred to the branch at Oshawa and leaves as soon as his successor arrives here.—Courier, Perth.

* * *

G. R. Dart, who has been on the local Bank of Montreal staff since last May, has been transferred to the bank's branch at Amherstburg. W. T. Thorne, of Exeter, is the new addition to the local staff.—Standard, Forest.

* * *

J. R. Richardson, formerly Imperial Bank manager here, and late of the main office, Winnipeg, has been appointed manager at Kitchener, Ont., where a new branch has been opened.—News-Chronicle, Port Arthur.

* * *

W. Snyder, of Bridgeburg, who has occupied the position of teller at the Thamesville branch of the Bank of Montreal, has been transferred to the Kitchener branch. Mr. Hoare, of St. Catharines, succeeds Mr. Snyder. —Times-Journal, St. Thomas.

* * *

M. Mackenzie, who goes to Port Alberni as manager of the local branch of the Bank of Montreal, has had long experience in banking in this province, having been in the services in branches at Victoria, Vernon, 150-Mile House, Prince George, Terrance, and Williams Lake.—Free Press, Nanaimo.

* * *

H. B. Brock, who has filled the position of accountant in the Cornwall branch of the Bank of Montreal, since October, 1921, has been promoted in the bank's service and will shortly assume the position of manager in the bank's branch at Lancaster, Ont. F. S. Beattie, of the Lancaster branch, will succeed Mr. Brock here.—Standard, Cornwall.

* * *

Mr. Struthers, of the Bank of Commerce, was moved to the Gorrie branch. Harvey Robinson takes his place as teller here.—Advance Times, Wingham.

* * *

Ernest Dagg, of the city hall branch of the Bank of Montreal, London, Ont., has been promoted to the position of accountant at the Alymer branch of the Bank of Montreal.—Times Journal, St. Thomas.

* * *

Announcement is made that C. W. Frazee, supervisor of the Royal Bank of Canada for the western provinces, has been appointed supervisor for Ontario, Quebec and New Brunswick, with headquarters in Montreal. Mr. Frazee has held a prominent place in banking circles in British Columbia for several years and has a very wide circle of friends in Vancouver. Accompanied by Mrs. Frazee, he will leave the city about the middle of July to assume his new duties in Eastern Canada.

His successor in British Columbia will be Mr. Baird, of Winnipeg.—Province, Vancouver.

IMPERIAL OPENS BRANCH

A branch of the Imperial Bank of Canada has been opened at Elk Lake, Ont., under the temporary management of J. Campion. G. C. Dunlop, formerly accountant, Cobalt branch, has been appointed to the management of the new branch at Hudson, Ont.

ROYAL BANK

The Royal Bank announces the following staff changes: W. H. Keelan, manager of Melita branch, who has been moved to Yorkton as manager, was the guest of honor of the citizens of Melita, the municipality of Arthur, and the board of trade at an impromptu smoker. Mr. Keelan was presented with an address, and a gold watch suitably engraved.

Upon the transfer of E. D. MacDougall, accountant at Govan branch, to Weyburn, he was presented by the Govan Masonic lodge with a pair of gold cuff-links, and by the hockey club with a gold-mounted fountain pen and pencil. Mr. MacDougall is well known in bank hockey circles in Winnipeg.

F. B. Henry, teller at Leask branch, was presented by the manager and staff with a pair of military brushes in case, on the occasion of his transfer to Cabri, Sask., branch.

Weekly Bank Clearings

(In comparison with the same week last year.)

EASTERN CITIES

	Apr. 9/25	Apr. 8/26
Halifax	$3,695,583	$2,523,003
St. John	2,438,417	2,533,616
Moncton	778,684	781,445
Sherbrooke	985,768	850,678
Quebec	5,798,064	6,008,114
Montreal	89,378,140	108,359,859
Ottawa	6,715,984	6,295,390
Kingston	647,921	709,295
Peterboro	729,920	646,904
Toronto	86,018,396	135,950,661
Hamilton	4,728,797	3,956,168
Brantford	924,551	980,294
London	2,868,435	2,357,166
Kitchener	1,080,119	1,181,094
Windsor	2,966,431	2,968,061
Total, East	209,750,210	276,101,748

WESTERN CITIES

	Apr. 9/25	Apr. 8/26
Ft. William	752,529	646,309
Winnipeg	32,506,309	33,508,366
Brandon	487,412	520,977
Regina	2,854,265	3,254,412
Moose Jaw	983,499	1,042,229
Saskatoon	1,508,870	1,726,574
Pr. Albert	331,805	381,683
Lethbridge	347,681	450,344
Calgary	6,211,838	8,207,708
Edmonton	4,985,317	4,130,612
N. Westminster	549,877	647,777
Vancouver	14,573,211	14,529,158
Victoria	1,922,380	1,834,210
Total, West	68,014,993	70,880,359

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Province of Ontario	4½%	1944	96.35	4.80%
Dominion of Canada	4½%	1940	96.50	4.85%
Montreal Tramways	5	1955	94	5.40%
Hopital Francais de Montreal	5½	1945	100	5.50%
Belgo Canadian Paper	6	1943	101.25	5.90%
Winnipeg Electric Guaranteed	5	1938	91.50	6.05%
St. Lawrence Paper	6	1946	98.50	6.12%
Winnipeg Electric Co.	6	1954	98.50	6.12%
Connors Bros.	6½	1938	100	6.50%
Viau Biscuit Corporation	6½	1946	99	6.60%
Howard Smith Paper Mills	7	1941	102	6.80%
New Brunswick Power	5	1937	88	6.85%
Rolls-Royce Co.	7	1937	100	7.00%
International Power	7	1936	100	7.00%
Nova Scotia Tramways Co.	7	1952	100	7.00%
Shawinigan Cotton	6	1949	85	7.32%
Asbestos Corporation	6	1956	83	7.40%
Kingdom of Italy	7	1951	94½	7.48%
Wuerttenberg Electric	7	1956	93	7.60%

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Are You A Canadian Nero ? —Fiddling While Forests Burn

The Timber Burnt in 1925 Would Have Eventually Increased Canada's Prosperity through the distribution in wages alone of $5,000,000. General Business Prosperity Depends on the Future of the Forests

Why a Save the Forest Week

BRIEFLY, Save-the-Forest-Week was inaugurated to bring before the Canadian people the necessity of protecting their forests and avoiding the fate of other countries whose timber supply has diminished through neglect. In the five-year period between 1920 and 1924 almost as much timber was burned as was taken out by the woodman's axe.

Coupled with this tremendous loss is the undoubted fact that the Dominion at the present rate of depletion is living off her forest capital—the timber cut for industrial purposes can not be curtailed, but the dissipation of our wealth through fires can and will be reduced. Further, the waste is the more important as the timber forest industry takes the predominant place in Canada's industrial picture and as a producer of wealth the forests stand second only to agriculture.

As the forests play such a part in the national weal, Save-the-Forest-Week was set aside by Royal proclamation in order to concentrate and solidify national thought on this important subject—a vital necessity to the continued industrial welfare of the country as a whole.

During the week of April 18th-24th it is intended to focus public attention on such matters as the part the forests play in maintaining our rivers and water powers, the extent of the forest industry and the results of the depletion of our forests through fire and insect epidemics—results which will affect not only the forest products industry, but which will be reflected in a general slackening of business throughout the entire Dominion.

This table compares the fire losses in 1925 with those of the preceding five-year period:

	1925	Average 1920-1924
Total number of fires	5,490	6,266
Total area burned (acres)....	1,913,066	3,066,951
Mature timber:		
Area burned (acres)	300,015	722,191
Timber burned (M. bd. ft.)..	2,471,000	3,530,000
Est. Stumpage value	$4,826,565	$10,482,000
Young Growth:		
Area burned (acres)	499,988	850,171
Estimated value	$1,118,700	$ 2,378,338
Non-Forested:		
Area burned (acres)	1,113,062	857,240
Property burned value	$ 701,624	$ 1,031,462
Total gross damage	$6,646,889	$13,891,800

That the aims behind the Save-the-Forest movement are sound is seen in the support given by such associations and bodies as:

The Federal and Provincial Governments, Canadian Forestry Association, Canadian Lumbermen's Association, Canadian Pulp and Paper Association, Canadian Daily, and Canadian Weekly Newspaper Associations, Canadian National Railways, Canadian Pacific Railway, Canadian Bankers' Association, Dominion Mortgage and Investments Association, Canadian Manufacturers' Association, Canadian Fire Underwriters' Association, Canadian Life Insurance Officers' Association, Trades and Labour Congress of Canada, Retail Merchants' Association of Canada, Association of Canadian Clubs, Canadian Council of Agriculture, International Gyro, International Kiwanis, International Lions.

What Others Are Doing

AS THE preservation of the forest directly affects every business man in Canada, so it is of interest to know just what others are doing to prevent loss by fire. Timber and pulp and paper companies expend annually around $8 per square mile of timber limits to lessen the fire risk—this figure does not include the sums spent annually on actually putting out fires.

At one time the railways stood at the top of the list as a cause of forest fires—to-day the companies stand almost at the bottom. The railways realize that the forests are a potential source of traffic, and in consequence have spent large sums in maintaining clean, well-kept rights of way through the forested areas. Both roads maintian forest fire departments and have placed organized fire fighting units at strategic points across the Dominion. The Canadian National alone owns 19 fire fighting tank cars and, in addition, much other smaller equipment.

The federal and provincial governments spend large sums annually in the maintenance and protection of the forests. Coupled with the fire prevention activities of those directly interested in the work are those who, while not directly interested in forest industry, realize that the forests are as much a liability as an asset, thus many are joining the Canadian Forestry Association which, through the publication of its magazine, Illustrated Canadian Forest and Outdoors, provides monthly a review of the forest preservation work which is being accomplished and points the way to improvements in the forest policy.

There are thousands of investors scattered across Canada who have investments in forest industries; in many instances these are giving their best support to Canadian Forestry Association—a non-governmental body whose one aim is to protect as far as possible the Dominion from the effects of the coming scarcity of timber—that the scarcity is sure to come, unless the present resources are protected from the ravages of fire, is the accepted opinion of all forest engineers.

Such conditions can only be ameliorated by letting the public know the truth. This may be accomplished by increasing the educational facilities of the Canadian Forestry Association and the forestry departments of the Dominion and the provinces. To-day our present expenditure in protection is less than 25/100 of 1 per cent. of the value of the forests. This rate is less than one-fourth as much for our forests as for private property. In other words then, the great need is to quicken the Dominion's "forest consciousness"—this then is the duty of the individual.

"Forest Consciousness" the Need

THE need of a forest consciousness is obvious, as the public generally do not realize they have a close personal interest in forest preservation. The knowledge that the forest is the basis of the Dominion's largest and fastest growing industry is one of the fundamentals of the problem which, as yet, has hardly been realized. An industry which produces wealth annually to the extent of over $450,000,000—double the production from mining—is one which is a vital concern of every business man in Canada, for this sum in turn is annually expended by the industry and its dependents.

Again it is to be realised that every square mile of timberland will produce a winter's employment for 40 men—every acre burned means an eventual loss of employment which in turn will be reflected in the profit and loss account of every business organization in the country.

Again, one of the natural attractions which Canada holds for industry is her abundant supply of water power—but the value of these, in a large measure, depends on a proper forest policy, for the flow of our rivers should vary as little as possible during the year and thus provide for economical power development. In other words, the evenness of flow depends on a proper forest growth.

Again, fin, fur and feather all rely on our forest to provide shelter, food and shade; the value of the birds is augmented due to their work in reducing the number of forest and agricultural parasites.

An awakened forest consciousness means that individuals will exert a beneficial influence when governments are considering improved forest policies; it means that fires will be generally regarded as criminally wrong and preventable—thus when the whole population once realizes that the forests affect them personally in the place where it hurts most—the pocketbook, there will arise a public opinion on forest fires akin to that on robbery or violence. The awakening of this feeling is a duty which the thinking man can not overlook, for when once accomplished, forest fires will be as few and as far between as any other outrage.

A portion of the burned area each year consists of younger trees; as yet, public opinion views these fires with little alarm, forgetting that the forests are a crop and, like any other crop, must be encouraged in their earlier stages. This, then, is another vital need: to bring about a better realization of the fact that the forests are a crop and that the younger growth should be safeguarded quite as carefully as the mature forests.

Such then are a few of the points which need to be broadcasted and implanted in the public mind—you realize the need of a forest consciousness, will you play your part in its advent?

Throw the Weight of Your Influence Behind Forest Fire Preventive Measures!

Save — The — Forest — Week

18——APRIL——24

Because it is chiefly through the influence of business leaders that the gospel of Save-the-Forest can be promulgated, the Riordon Pulp Corporation Ltd. donates this advertisement to the Montreal Committee of Save-the-Forest-Week.